

<i>SERFF Tracking Number:</i>	<i>MUTM-125753253</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Mutual of Omaha Insurance Company</i>	<i>State Tracking Number:</i>	<i>39779</i>
<i>Company Tracking Number:</i>	<i>MELANIE SCHULTZ</i>		
<i>TOI:</i>	<i>LTC03I Individual Long Term Care</i>	<i>Sub-TOI:</i>	<i>LTC03I.001 Qualified</i>
<i>Product Name:</i>	<i>Individual Health</i>		
<i>Project Name/Number:</i>	<i>Individual Long-Term Care Insurance/LTC04I LPPCNFB-AR</i>		

## Filing at a Glance

Company: Mutual of Omaha Insurance Company

Product Name: Individual Health

TOI: LTC03I Individual Long Term Care

Sub-TOI: LTC03I.001 Qualified

Filing Type: Form

SERFF Tr Num: MUTM-125753253 State: ArkansasLH

SERFF Status: Closed

Co Tr Num: MELANIE SCHULTZ

Co Status:

Authors: Stacey Payton, Kurt

Vangreen, Melanie Schultz

Date Submitted: 07/30/2008

State Tr Num: 39779

State Status: Approved-Closed

Reviewer(s): Marie Bennett, Harris  
Shearer

Disposition Date: 08/29/2008

Disposition Status: Approved

Implementation Date:

Implementation Date Requested: On Approval

State Filing Description:

## General Information

Project Name: Individual Long-Term Care Insurance

Project Number: LTC04I LPPCNFB-AR

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 08/29/2008

State Status Changed: 08/29/2008

Corresponding Filing Tracking Number:

Filing Description:

Please see cover letter attached under the supporting documentation tab.

Status of Filing in Domicile: Not Filed

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Group Market Size:

Group Market Type:

Deemer Date:

## Company and Contact

### Filing Contact Information

Melanie Schultz, Product & Advertising

[melanie.schultz@mutualofomaha.com](mailto:melanie.schultz@mutualofomaha.com)

SERFF Tracking Number: MUTM-125753253 State: Arkansas  
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TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.001 Qualified  
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Compliance Analyst

4 - Regulatory Affairs Division (402) 351-4260 [Phone]  
Omaha, NE 68175 (402) 351-5298[FAX]

**Filing Company Information**

Mutual of Omaha Insurance Company	CoCode: 71412	State of Domicile: Nebraska
Mutual of Omaha Plaza	Group Code: 261	Company Type: Health Insurance
Omaha, NE 68175	Group Name:	State ID Number:
(402) 351-6420 ext. [Phone]	FEIN Number: 47-0246511	
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SERFF Tracking Number: MUTM-125753253 State: Arkansas  
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## Filing Fees

Fee Required? Yes  
Fee Amount: \$220.00  
Retaliatory? No  
Fee Explanation: \$20.00 per 6 riders, \$20.00 per 3 outline of coverage, \$20.00 per 2 misc. forms.  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Mutual of Omaha Insurance Company	\$220.00	07/30/2008	21669603

SERFF Tracking Number:	MUTM-125753253	State:	Arkansas
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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Harris Shearer	08/29/2008	08/29/2008

### Amendments

Item	Schedule	Created By	Created On	Date Submitted
Certification/NSupporting Document otice		Stacey Payton	07/30/2008	07/30/2008

<i>SERFF Tracking Number:</i>	<i>MUTM-125753253</i>	<i>State:</i>	<i>Arkansas</i>
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## Disposition

Disposition Date: 08/29/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: MUTM-125753253 State: Arkansas

Filing Company: Mutual of Omaha Insurance Company State Tracking Number: 39779

Company Tracking Number: MELANIE SCHULTZ

TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.001 Qualified

Product Name: Individual Health

Project Name/Number: Individual Long-Term Care Insurance/LTC04I LPPCNFB-AR

Item Type	Item Name	Item Status	Public Access
Supporting Document (revised)	Certification/Notice		Yes
Supporting Document	Certification/Notice		No
Supporting Document	Application		No
Supporting Document	Health - Actuarial Justification		No
Supporting Document	Outline of Coverage		Yes
Supporting Document	Cover Letter		Yes
Supporting Document	Fee Schedule Cert		Yes
Supporting Document	Readability Cert		Yes
Form	Limited Premium Contingent		Yes
Form	Nursing Home Glossary		Yes
Form	Right to Reduce Coverage Rider		Yes
Form	Nonforfeiture Benefit Rider		Yes
Form	Amendment Rider		Yes
Form	Availability of New Services Rider		Yes
Form	Outlines of Coverage		Yes
Form	Outlines of Coverage		Yes
Form	Outlines of Coverage		Yes
Form	Potential Rate Increase Disclosure Form		Yes
Form	"Things You Should Know Before You Buy Long-Term Care Insurance"		Yes

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**Amendment Letter**

Amendment Date:

Submitted Date: 07/30/2008

**Comments:**

Please see attached Cert of Compliance. Sorry for any inconvenience in the initial bypass of this requirement.

**Changed Items:**

**Supporting Document Schedule Item Changes:**

**Satisfied -Name: Certification/Notice**

Comment:

AR Certif of Compliance with Rule 19.pdf

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## Form Schedule

**Lead Form Number:** LTC04I LPPCNFB-AR

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	LTC04I7-LPPCNFB-AR	Certificate	Limited Premium Amendmen t, Insert Page, Endorseme nt or Rider	Initial		46	LTC04I7-LPPCNFB-AR.pdf
	LTC04I7-NHDEF-AR	Certificate	Nursing Home Amendmen t, Insert Page, Endorseme nt or Rider	Initial		41	LTC04I7-NHDEF-AR.pdf
	LTC04I7-REDCOV-AR	Certificate	Right to Reduce Coverage Rider t, Insert Page, Endorseme nt or Rider	Initial		44	LTC04I7-REDCOV-AR.pdf
	LTC04I LPPCNFB-AR	Certificate	Nonforfeiture Benefit Amendmen t, Insert Page, Endorseme nt or Rider	Initial		46	LTC04I LPPCNFB-AR.pdf
	LTC04I NHDEF-AR	Certificate	Amendment Rider Amendmen t, Insert Page, Endorseme nt or Rider	Initial		41	LTC04I NHDEF-AR.pdf
	LTC04I REDCOV-	Certificate	Availability of New Services Rider	Initial		44	LTC04I REDCOV-

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AR	t, Insert	AR.pdf
	Page,	
	Endorseme	
	nt or Rider	
M23867_0608	Outline of Coverage	Outlines of Coverage Initial
		Outline
		M23866_0608.pdf
M23867_0608	Outline of Coverage	Outlines of Coverage Initial
		Outline
		M23867_0608.pdf
M25527_0608	Outline of Coverage	Outlines of Coverage Initial
		Outline
		M25527_0608.pdf
M26263	Other	Potential Rate Increase Disclosure Form
		Initial
M19775_0907	Other	"Things You Should Know Before You Buy Long-Term Care Insurance"
		Initial
		M26263 Potential Rate Increase.pdf
		M19775_0907 Things you should know.pdf



**MUTUAL OF OMAHA INSURANCE COMPANY**

**LIMITED PREMIUM PAYMENT CONTINGENT  
NONFORFEITURE BENEFIT**

This rider is made a part of Your Policy to which it is attached. It is subject to all parts of Your Policy not in conflict with this rider. In the event of a conflict between this rider and any other provision of the Policy, this rider shall control.

Rider Date (July 1, 2008, or the Policy Date, whichever is later)

**LIMITED PREMIUM PAYMENT CONTINGENT NONFORFEITURE BENEFIT**

The benefit will apply to You if, and only if, there is a substantial increase in the premium rates for Your coverage, as described below.

**How Does This Benefit Work?**

On or before the effective date of a substantial premium increase as determined by the Limited Premium Payment Contingent Nonforfeiture Benefit provision, We will do all of the following:

- We will offer to reduce Your current level of coverage without evidence of insurability so that the required premium rates for Your coverage are not increased.
- We will offer to convert coverage to a paid-up status where the amount payable for each benefit is 90% of the amount payable in effect immediately prior to lapse times the ratio of the number of completed months of paid premiums divided by the number of months in the premium paying period. This option may be elected at any time during the 120-day period referenced above.
- We will notify you that a default or lapse at any time during such 120-day period will be deemed to be the election of the offer to convert if the ratio described above is 40% or more.

**Limited Premium Payment  
Contingent Non-Forfeiture  
Benefit**

A contingent benefit on lapse will also be triggered if We increase premium rates to a level that result in a cumulative increase of the annual premium equal to or exceeding the percentage of Your initial annual premium set forth below based on Your issue age, Your Policy lapsing within 120 days of the due date of the premium so increased, and the ratio described above is 40% or more. Unless otherwise required, We will notify You at least 30 days prior to the due date of the premium reflecting the rate increase.

**Triggers for a Substantial Premium Increase**

Issue Age	Percent Increase Over Initial Premium
Under 65	50%
65-80	30%
Over 80	10%

**Inflation Protection  
Will Not Apply To  
This Benefit**

If You have elected an inflation protection option, any benefit paid will be the benefit amount in effect on the date Your Policy lapses and no further increases in benefit amounts will occur.

**Which Contingent Benefit  
Will Be Provided?**

We will provide either the Contingent Nonforfeiture Benefit or the Limited Premium Payment Contingent Nonforfeiture Benefit, but not both. You may choose which contingent benefit You wish to receive.

**When Will Coverage  
End?**

Your coverage under this provision will end when the paid-up benefit established above has been exhausted or the Maximum Lifetime Benefit been reduced to zero. In no event will the total of benefits payable under this Policy and this provision exceed the Maximum Lifetime Benefit.

**Mutual of Omaha Insurance Company**

A handwritten signature in black ink that reads "Michael Huss". The signature is written in a cursive, flowing style.

**Corporate Secretary**

**MUTUAL OF OMAHA INSURANCE COMPANY**

**NURSING HOME GLOSSARY AMENDMENT RIDER**

This rider is made a part of Your Policy to which it is attached. It is subject to all parts of Your Policy not in conflict with this rider. In the event of a conflict between this rider and any other provision of the Policy, this rider shall control.

Rider Date (July 1, 2008, or Your Original Policy Effective Date, whichever is later)

**NURSING HOME GLOSSARY AMENDMENT**

The **Nursing Home** definition contained in Your Policy is removed and replaced by the following:

**Nursing Home** means a facility or distinctly separate part of a hospital or other institution that is engaged primarily in providing nursing care to inpatients under a planned program supervised by a Physician and, where required, has the appropriate state licensure, certification or registration as a Nursing Home. It also must meet all of the following requirements:

- provides twenty-four (24) hour-a-day nursing care by a Nurse under the supervision of a Registered Nurse (R.N.) or a Physician;
- maintains a daily medical record of each inpatient; and
- provides nursing care at skilled, intermediate, or custodial levels.

Nursing Home includes a Veteran's Administration facility and an Alzheimer's Facility.

A Nursing Home does not include: a hospital or clinic; a place which operates primarily for the treatment of alcoholism, drug addiction, or Mental or Nervous Disorders; an Assisted Living Facility; an adult residential care home; a domiciliary care facility; or Your primary place of residence in an area used principally for independent residential living; or a similar establishment. If a facility has multiple licenses, a portion, wing, ward, or unit will qualify as a Nursing Home only if it: meets all of the above criteria; is authorized to provide nursing care to inpatients; and is engaged principally in providing such nursing care in accordance with that license.

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# MUTUAL OF OMAHA INSURANCE COMPANY

## RIGHT TO REDUCE COVERAGE AND AVAILABILITY OF NEW SERVICES RIDER

This rider is made a part of Your Policy to which it is attached. It is subject to all parts of Your Policy not in conflict with this rider. In the event of a conflict between this rider and any other provision of the Policy, this rider shall control.

Rider Date (July 1, 2008, or the Policy Date, whichever is later)

### RIGHT TO REDUCE YOUR COVERAGE AND LOWER PREMIUMS

#### **Right to Reduce Your Coverage and Lower Premiums**

You may elect to lower Your Policy's premiums by reducing Your Policy's coverage in one or more of the following ways:

- (a) Reducing Your Policy's Lifetime Maximum Benefit amount;
- (b) Reducing Your Policy's daily, weekly or monthly benefit amount;
- (c) Reducing other options that are consistent with the Policy design.

The premium for the reduced coverage will be based on Your age at the time Your present Policy was issued and the rate applicable to such reduced amount of coverage on the Original Policy Effective Date. Any insurance decrease cannot reduce benefits below the minimum amount of coverage We allow when issuing a new Policy. Inflation protection increases under the Guarantee Purchase Benefit Option provision or an optional Simple or Compound Inflation Protection Rider, if any, will apply to the reduced coverage in the same manner as prior to the coverage reduction. To request a reduction in coverage, please contact Us at the toll-free number shown on the Policy schedule.

If Your Policy is about to lapse due to non-payment of premium, We will notify You of Your option to lower premiums by reducing coverage, and give You 30 days in which to exercise this option. We will also extend the option to lower premiums by reducing coverage in the event of a premium increase.

### AVAILABILITY OF NEW SERVICES OR PROVIDERS

#### **Availability of New Services Or Providers**

If new benefits are developed by Us for long-term care services which were not previously available with this Policy, We will:

- (a) notify You of the availability of such benefits within 12 months; and
- (b) offer You the option to purchase these new benefits by either:
  - (1) adding a rider with premiums based on Your attained age to Your existing Policy;
  - (2) exchanging Your existing Policy with one which grants premium credits for each full year the existing Policy has been in force, if no claims have been filed; or

- (3) exchanging Your existing Policy with one where premiums are based on Your age at the time Your present Policy was issued.

We will determine which one of the above options You will be offered.

Purchase of the additional benefits will be subject to underwriting practices which shall be no more restrictive than if You were applying for a new long-term care Policy. Eligibility for new benefits will not apply if You are receiving services which are being paid under this Policy or being applied towards its Elimination Period.

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- provides twenty-four (24) hour-a-day nursing care by a Nurse under the supervision of a Registered Nurse (R.N.) or a Physician;
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The premium for the reduced coverage will be based on Your age at the time Your present Policy was issued and the rate applicable to such reduced amount of coverage on the Original Policy Effective Date. Any insurance decrease cannot reduce benefits below the minimum amount of coverage We allow when issuing a new Policy. Inflation protection increases under the Guarantee Purchase Benefit Option provision or an optional Simple or Compound Inflation Protection Rider, if any, will apply to the reduced coverage in the same manner as prior to the coverage reduction. To request a reduction in coverage, please contact Us at the toll-free number shown on the Policy schedule.

If Your Policy is about to lapse due to non-payment of premium, We will notify You of Your option to lower premiums by reducing coverage, and give You 30 days in which to exercise this option. We will also extend the option to lower premiums by reducing coverage in the event of a premium increase.

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## LONG-TERM CARE INSURANCE - OUTLINE OF COVERAGE

For Policy Form Series LTC04I

Simplified One Maximum Lifetime Benefit – Tax Qualified

Name of Applicant: John A. Doe Date of Application: 1-02-04

**NOTICE TO BUYER:** The policy may not cover all of the costs associated with long-term care incurred by the buyer during the period of coverage. The buyer is advised to review carefully all policy limitations.

**CAUTION:** The issuance of the long-term care insurance policy is based upon the responses to questions on your application. A copy of your application will be attached to your policy if one is issued to you. If your answers are incorrect or untrue, we have the right to deny benefits or rescind the policy. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your answers are incorrect, contact us at this address: Mutual of Omaha Insurance Company, [Long Term Care Service Office, P. O. Box 5710, Hopkins, MN 55343-5710].

### 1. POLICY DESIGNATION

This is an individual policy of insurance to be issued in the [state of residence].

### 2. PURPOSE OF THE OUTLINE OF COVERAGE

This outline of coverage provides a very brief description of the important features of the policy. You should compare this outline of coverage to outlines of coverage for other policies available to you. This is not an insurance contract, but only a summary of coverage. Only the individual or group policy contains governing contractual provisions. This means that the individual or group policy sets forth in detail the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you **READ YOUR POLICY (OR CERTIFICATE) CAREFULLY!**

### 3. FEDERAL TAX CONSEQUENCES

The policy is intended to be a federally tax-qualified long-term care insurance contract under Section 7702B (b) of the Internal Revenue Code of 1986 (as amended by the Health Insurance Portability and Accountability Act of 1996 - Public Law 104-191).

### 4. TERMS UNDER WHICH THE POLICY OR CERTIFICATE MAY BE CONTINUED IN FORCE OR DISCONTINUED

#### Renewability

THIS POLICY IS GUARANTEED RENEWABLE. This means you have the right, subject to the terms of the policy, to continue the policy as long as premiums for your coverage are paid on time. Mutual of Omaha Insurance Company cannot change any of the terms of your policy on its own, except that, in the future, WE MAY INCREASE THE PREMIUM YOU PAY.

### **Waiver of Premium**

We will waive the payment of your premium which becomes due while your policy is in force and you meet the Eligibility for the Payment of Benefits requirements. The Waiver of Premium Benefits will not apply if the only benefits you are receiving are Respite Care Benefits; Caregiver Training Benefits; Home Modification Benefits; Informal Caregiver Benefit for Homemaker Services; Medical Alert System Benefits; Durable Medical Equipment Benefits; or Care Coordination Services. To qualify for the waiver of premium benefit, you must be receiving any of the following benefits: Nursing Home, Assisted Living Facility or Home Health Care (at least 8 days per month). If you cease to receive benefits, premium payment will again be required. Future premiums must be paid as they become due.

### **5. TERMS UNDER WHICH THE COMPANY MAY CHANGE PREMIUMS**

**Premiums will not increase due to a change in your age or health. We can, however, change premiums based on premium class; but only if we change the premiums for all policies issued to your premium class in your state. Premium class means a population segment classified by our actuaries as having similar characteristics, such as issue age, issue year, form number, rate classification, geographic area of residence and selected benefit options or other criteria. Any premium changes will be effective on the next premium due date following our notice to you.**

### **6. TERMS UNDER WHICH THE POLICY OR CERTIFICATE MAY BE RETURNED AND PREMIUM REFUNDED**

- a) You may cancel your policy for any reason within 30 days after you receive it. To do so, mail or deliver the policy to either us or to the agent or office through which it was purchased. We will refund the full amount of any premium paid within 30 days of such a policy return; and the policy will be considered never to have been issued.
- b) The policy contains a provision for the return of unearned premium in the event of termination due to death. It also provides for the return of unearned premium upon surrender or cancellation of the policy.

### **7. THIS IS NOT MEDICARE SUPPLEMENT COVERAGE**

If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from Mutual of Omaha Insurance Company. Neither Mutual of Omaha Insurance Company nor its agents represent Medicare, the federal government, or any state government.

### **8. LONG-TERM CARE COVERAGE**

Policies of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting other than an acute care unit of a hospital, such as in a Nursing Home, in the community, or in the Home. This policy reimburses you for expenses you incur for covered long-term care expenses.

## 9. BENEFITS PROVIDED BY THE POLICY – BENEFIT ELIGIBILITY

### **Benefits**

Benefits are available up to the daily, monthly, annual, and lifetime maximums until the applicable maximum lifetime benefits you selected are exhausted. You may select your level of coverage and coverage features from the options listed in the table below.

<b>COVERAGE SELECTION</b>	<b>Maximum Lifetime Benefit</b>	<b>Spouse Waiver of Premium and Survivorship Benefit</b>
<b>Nursing Home Maximum Daily Benefit (NH MDB)</b>  \$ [XXX.XX]  <b>Home Health Care Maximum Daily Benefit</b>  \$ [XXX.XX] 100% of NH MDB  <b>Assisted Living Facility Maximum Daily Benefit</b> \$ [XXX.XX] 100% of NH MDB	∂ Unlimited ∂ 1825 X NH MDB (5 Years) ∂ 1095 X NH MDB (3 Years)  <b>Elimination Period</b> ∂ 30 Days      ∂ 90 Days  <b>Nonforfeiture - Shortened Benefit Period</b> ∂ Yes              ∂ No  <b>Limited Pay Options</b> ∂ 10 Year Option ∂ Paid Up at 65 Option ∂ None	∂ Yes              ∂ No   <b>Inflation Protection</b> ∂ 5% Compound Inflation Protection ∂ 20 Year 5% Compound Inflation Protection ∂ [5% Simple Inflation Protection] ∂ Guaranteed Purchase Option ∂ None

### **Nursing Home Benefit**

We will pay your covered expenses up to the Nursing Home Maximum Daily Benefit for each day you meet the Eligibility for the Payment of Benefits requirements and are confined in a Nursing Home. The Nursing Home Benefit is subject to your Maximum Lifetime Benefit.

### **Nursing Home Bed Reservation Benefit**

If you meet the Eligibility for the Payment of Benefits requirements and are absent for any reason (except discharge) during a Nursing Home confinement, and are charged by the facility to reserve your place there we will continue to pay the Nursing Home Benefit as if you were still confined. This benefit is payable for a maximum of 31 days per calendar year. Any unused days cannot be carried over into the next calendar year. The Nursing Home Bed Reservation Benefit is subject to your Maximum Lifetime Benefit.

### **Nursing Home Ambulance Benefit**

If you meet the Eligibility for the Payment of Benefits requirements and are confined in a Nursing Home, we will pay the actual charges incurred for each round trip you take from a Nursing Home to a hospital. The Nursing Home Ambulance Benefit is subject to the Nursing Home Ambulance Benefit Round Trip Maximum (two times your Nursing Home Maximum Daily Benefit) and a Nursing Home Ambulance Maximum Annual Benefit (four times your Nursing Home Maximum Daily Benefit). It is also subject to the Maximum Lifetime Benefit.

### **Assisted Living Facility Benefit**

We will pay your covered expenses up to the Assisted Living Facility Maximum Daily Benefit for each day you meet the Eligibility for the Payment of Benefits requirements and are confined in an

Assisted Living Facility. The Assisted Living Facility Benefit is subject to the Maximum Lifetime Benefit.

### **Assisted Living Facility Bed Reservation Benefit**

If you meet the Eligibility for the Payment of Benefits requirements and are absent for any reason (except discharge) during an Assisted Living Facility confinement, and are charged by the facility to reserve your place there we will continue to pay the Assisted Living Facility Benefit as if you were still confined. This benefit is payable for a maximum of 31 days per calendar year. Any unused days cannot be carried over into the next calendar year. The Assisted Living Facility Bed Reservation Benefit is subject to your Maximum Lifetime Benefit.

### **Home Health Care Benefit**

The Home Health Care Benefit provides benefits for Home Health Care services, Maintenance or Personal Care Services, Homemaker Services and care in an Adult Day Care Center and fees charged for transportation to and from the Adult Day Care Center. If you meet the Eligibility for the Payment of Benefits requirements, we will pay the covered expenses you incur each day up to the Home Health Care Maximum Daily Benefit. The Home Health Care Benefit is subject to your Maximum Lifetime Benefit.

### **Hospice Care Benefit**

The Hospice Care Benefit covers Hospice Care expenses you incur during your confinement in a Hospice Care Facility, Assisted Living Facility or a Nursing Home for: room and board; ancillary services provided by the Hospice Care Facility, Assisted Living Facility or Nursing Home; and patient supplies provided by the Hospice Care Facility, Assisted Living Facility or Nursing Home for care of their residents. The Hospice Care Benefit also includes covered expenses for Home Health Care. If you meet the Eligibility for the Payment of Benefits requirements and you are terminally ill (six months or less to live), we will pay expenses you incur up to the applicable maximum daily benefit, depending upon where your Hospice Care is received, and your Maximum Lifetime Benefit. You are not required to satisfy the Elimination Period before we will pay the Hospice Care Benefits. However, days on which you receive only Hospice Care services will not count toward satisfying the Elimination Period.

### **Respite Care Benefit**

Respite care is temporary care provided to you to allow time off for those persons who ordinarily care for you on a regular unpaid basis. If you meet the Eligibility for the Payment of Benefits requirements, we will pay the covered expenses you incur for Respite Care in a Nursing Home, Assisted Living Facility or your Home. The amount we pay is subject to the Nursing Home Maximum Daily Benefit, regardless of where your care is received. The Respite Care Maximum Annual Benefit of 31 days is payable only once per calendar year. You are not required to satisfy the Elimination Period before we will pay the Respite Care Benefits. However, days on which you receive only Respite Care services will not count toward satisfying the Elimination Period. The Respite Care Benefit is subject to the Maximum Lifetime Benefit.

### **Care Coordination Services**

If you meet the Eligibility for the Payment of Benefits requirements, we will provide you with Care Coordination services from a Care Coordination Services Provider designated by us. If you use a Care Coordinator or Care Coordination Services Provider designated by us, the Care Coordinator will help you identify your specific care needs and the long-term care services and programs in your area which can best meet those needs. These services are advisory only and are provided at no additional cost to you. However, if you choose to use your own Care Coordinator, we will pay only the expenses

you incur for your own Care Coordinator to perform an initial assessment and develop a Plan of Care up to a maximum benefit of five times your Nursing Home Maximum Daily Benefit. You are not required to follow the recommendations or use the services or providers identified in the Plan of Care. You are not required to satisfy the Elimination Period in order to receive Care Coordination services. However, days on which you receive only Care Coordination services will not count toward satisfying the Elimination Period. Care Coordination Services will not reduce your Maximum Lifetime Benefit.

### **Caregiver Training Benefit**

If you meet the Eligibility for the Payment of Benefits requirements and Caregiver Training Benefits are recommended in a written Plan of Care and when mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy, we will pay the covered expenses incurred for training a Family Member or friend to provide care for you in your Home. We will not pay for training provided to someone who will be paid to care for you. The training cannot be received when you are confined in a hospital, Assisted Living Facility or Nursing Home, unless it is reasonably expected that the training will make it possible for you to return to your Home where you can be cared for by the person receiving the training. You are not required to satisfy the Elimination Period before we will pay benefits for Caregiver Training. However, days on which you receive only Caregiver Training will not count toward satisfying the Elimination Period. A Caregiver Training Maximum Lifetime Benefit of 15 times the Home Health Care Maximum Daily Benefit applies to this benefit.

### **Durable Medical Equipment Benefit**

If you meet the Eligibility for the Payment of Benefits requirements, we will pay the expenses you incur for rental or purchase of Durable Medical Equipment when recommended in a written Plan of Care and when mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy. Durable Medical Equipment Benefits may be paid in addition to other benefits for covered care received on the same day. You are not required to satisfy the Elimination Period before we will pay the Durable Medical Equipment Benefit. However, days on which you receive only Durable Medical Equipment Benefits will not count toward satisfying the Elimination Period. A Durable Medical Equipment Maximum Lifetime Benefit of 30 times the Home Health Care Maximum Daily Benefit applies to this benefit.

### **Home Modification Benefit**

If you meet the Eligibility for the Payment of Benefits requirements, we will pay the expenses you incur for Home Modification when recommended in a Plan of Care and when mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy. This benefit may not be used solely to increase the value of your Home. You are not required to satisfy the Elimination Period before we will pay the Home Modification Benefit. However, days on which you receive only Home Modification Benefits will not count toward satisfying the Elimination Period. A Home Modification Maximum Lifetime Benefit of 60 times the Home Health Care Maximum Daily Benefit applies to this benefit.

### **Informal Caregiver Benefits for Homemaker Services**

If you meet the Eligibility for the Payment of Benefits requirements and Informal Caregiver Benefits for Homemaker Services Benefits are recommended in a written Plan of Care and when mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy, we will pay a daily benefit for care you receive from an Informal Caregiver who does not normally reside with you and who is providing you with Maintenance or Personal Care Services. The daily benefit is equal to 25% of the Home Health Care Maximum Daily Benefit. We will pay this benefit up to the Informal Caregiver Benefit for Homemaker Services Maximum Lifetime Benefit.

### **Medical Alert System Benefit**

If you meet the Eligibility for the Payment of Benefits requirements, we will pay the expenses you incur for the installation and rental of a Medical Alert System if the use of such system is recommended in a written Plan of Care and is mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy. You are not required to satisfy the Elimination Period before we will pay the Medical Alert System Benefit. However, days on which you receive only Medical Alert System Benefits will not count toward satisfying the Elimination Period. The Medical Alert System Benefit is subject to the Medical Alert System Maximum Installation Benefit (one times the Home Health Care Maximum Daily Benefit) for the installation of the system and the Medical Alert System Maximum Monthly Benefit (.5 times the Home Health Care Maximum Daily Benefit) for the monthly operation of the system up to the Medical Alert System Maximum Lifetime Benefit (30 times the Home Health Care Maximum Daily Benefit).

### **Alternate Care Benefit**

You must meet the Eligibility for the Payment of Benefits requirements in order to be eligible to receive the Alternate Care Benefit. We reserve the right to authorize alternate services or special treatments, devices or types of care, consistent with generally accepted medical practices, in a written alternate Plan of Care for which no benefits are otherwise payable under the policy. This includes new types of Qualified Long-term Care Services that may be developed at some future time. You or your representative, your Physician (if appropriate) and we must all agree that the alternate services or special treatments, devices or types of care are alternate forms of treatment appropriate to meet your needs and are determined to be a cost-saving alternative.

### **International Travel Benefit**

If you meet the Eligibility for the Payment of Benefits requirements while you are traveling outside the United States, its possessions or territories, we will pay you a cash indemnity benefit for covered services according to the terms of the policy. This payment is in lieu of all benefit payments otherwise available under the policy. We will pay the Nursing Home Maximum Daily Benefit for each day you are eligible to receive the International Travel Benefit, for a period not to exceed a maximum lifetime benefit of 31 days. All benefit payments made will be in U.S. dollars.

### **Restoration of Benefits**

Following a period during which we had been paying benefits, we will restore your remaining Maximum Lifetime Benefit to its most recent level before you received benefits if you meet a Qualification Free Period. If all of the conditions of the Qualification Free Period are met, the Maximum Lifetime Benefit will be restored on the 181<sup>st</sup> day after the last date you incur covered expenses or receive covered services. Your Maximum Lifetime Benefit may be restored an unlimited number of times, as long as the Qualification Free Period is met each time. The restored amount will not exceed any Maximum Lifetime Benefit payable. The Maximum Lifetime Benefit is the only benefit limit to be restored. No Restoration of Benefits will be available if your Maximum Lifetime Benefit has been reduced to zero.

## **OPTIONAL BENEFITS**

You may elect any of the following options to expand the benefits under the policy:

### **Spouse Waiver of Premium and Survivorship Benefit**

If both you and your Spouse are covered under Mutual of Omaha Long-Term Care Insurance policy series LTC04I and each of you has elected this coverage option you are eligible for the following benefits:

*Spouse Waiver Of Premium:* We will waive the payment of your premium after your Spouse qualifies for the Waiver of Premium Benefit. We will credit the pro-rata amount of premium paid for future periods after the premium waiver begins. Your premium will be waived for as long as your Spouse's premium continues to be waived and both policies are in force. Once your Spouse's Waiver of Premium ends, you must pay future premiums for your policy as they become due.

*Survivorship Benefit:* This benefit is applicable only if both you and your spouse are covered under Mutual of Omaha Long-Term Care Insurance policy series LTC04I and this benefit, and you and your Spouse are living on the tenth anniversary of the effective date of this benefit, and both policies are in force. If your Spouse dies on or after the tenth anniversary of the effective date of this benefit, your policy will become paid up effective on its next premium due date and will continue in force without further premium payments for the rest of your lifetime. [Any benefit added or increased prior to your Spouse's death must be paid for at least ten years from the date of such increase or addition before the premium for this addition or increase will be paid-up due to this benefit.] The premium for any benefit added after the death of your spouse will not be paid up.

*[Christian Science Providers*

The Alternate Care Benefit includes services: provided by an accredited Christian Science Nurse listed in the Christian Science Journal; and incurred while confined in a Christian Science nursing facility currently recognized by The Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc., or any comparable accrediting organization, as long as such services are included in a written alternate Plan of Care.]

## **LIMITED PREMIUM PAYMENT OPTIONS**

You may elect any of the following options to pay the premiums for your policy within a limited time period:

### **10-Year Premium Payment Option**

This option provides that your policy premiums may be paid over a ten-year period, after which no additional premiums will be due. Prior to the end of your tenth policy year, you must make sure that you pay the premiums when they are due to continue your policy. [If the premium for your policy increases due to the addition of any option, the amount of the premium increase must be paid by you until the tenth anniversary of the date of the increase.] Prior to the end of your tenth policy year, we have the right to change your premiums in accordance with the Terms Under Which The Company May Change Premiums section.

### **To-Age-65 Premium Payment Option**

This option provides that your policy premiums may be paid as due until the anniversary of the original policy effective date following your 65<sup>th</sup> birthday, after which no additional premiums will be due. Prior to your 65<sup>th</sup> birthday, you must make sure that you pay the premiums when they are due to continue your policy. [If the premium for your policy increases due to the addition of any option, the amount of the premium increase must be paid by you until the anniversary of the effective date of the option following your 65<sup>th</sup> birthday.] Prior to the policy anniversary date following your 65<sup>th</sup> birthday, we have the right to change your premiums in accordance with the Terms Under Which the Company May Change Premiums section.

## **OPTIONAL NONFORFEITURE BENEFITS**

### **Nonforfeiture Benefit – Shortened Benefit Period**

If you elect the optional Nonforfeiture Benefit–Shortened Benefit Period, it will provide a continuation of your policy up to a specified dollar amount, called the Shortened Benefit Period Allowance, if your policy terminates due to non-payment of premium before your Maximum Lifetime Benefit has been paid. If your policy terminates due to non-payment of premium on or after the third anniversary of the effective date of the option, we will continue to pay benefits, subject to all of the terms and conditions of the policy, until the Shortened Benefit Period Allowance has been reached or when you no longer meet the Eligibility for the Payment of Benefits requirements of the policy, whichever occurs first. The Shortened Benefit Period Allowance we will pay will be the greater of: (a) one hundred percent (100%) of the sum of all premiums paid for your coverage, excluding any waived premiums; or (b) 30 times your Nursing Home Maximum Daily Benefit in effect at the time of lapse. The Shortened Benefit Period Allowance is reduced by the sum of all benefits previously paid to you. In no event will the total of benefits payable under the policy exceed your Maximum Lifetime Benefit.

### **Contingent Nonforfeiture Benefit**

You will receive coverage under this benefit if you do not elect the Nonforfeiture Benefit–Shortened Benefit Period. If there is an increase in premium rates so that the cumulative amount of all premium rate increases is considered to be a substantial increase in premium rates, as determined by the table shown below, we will do all of the following:

- We will offer to reduce your current level of coverage without evidence of insurability so that the required premium rates for your coverage are not increased.
- We will offer to convert coverage to a paid-up status with a shortened benefit period as described below. This option may be elected at any time during the 120-day period following the date of the premium rate increase.
- We will notify you that a default or lapse at any time during the 120-day period following the date of the premium increase will be deemed to be the election of the preceding offer to convert. A default or lapse is your failure to pay the required premiums within the grace period.

### ***Shortened Benefit Period***

We will continue to pay benefits, subject to all of the terms and conditions of the policy, until the Shortened Benefit Period Allowance has been reached or when you no longer meet the Eligibility for the Payment of Benefits requirements of the policy, whichever occurs first. The Shortened Benefit Period Allowance we will pay will be the greater of: (a) one hundred percent (100%) of the sum of all premiums paid for your coverage under the policy, excluding any waived premiums; or (b) 30 times your Nursing Home Maximum Daily Benefit in effect at the time of lapse. The Shortened Benefit Period Allowance is reduced by the sum of all benefits previously paid to you. In no event will the total of benefits payable under the policy exceed your Maximum Lifetime Benefit.

Please refer to the chart below to determine whether or not a change in premiums constitutes a Substantial Premium Increase. Cumulative premium increases over original premium that will allow Contingent Nonforfeiture Benefit to be initiated appear in the chart. (Percentage increase is cumulative from date of original issue. It does NOT represent a one-time increase.)

#### **Triggers for a Substantial Premium Increase**

Issue Age	% Increase Over Initial Annual Premium	Issue Age	% Increase Over Initial Annual Premium	Issue Age	% Increase Over Initial Annual Premium
[29 and under	200%	66	48%	79	22%
30-34	190%	67	46%	80	20%
35-39	170%	68	44%	81	19%
40-44	150%	69	42%	82	18%
45-49	130%	70	40%	83	17%
50-54	110%	71	38%	84	16%
55-59	90%	72	36%	85	15%
60	70%	73	34%	86	14%
61	66%	74	32%	87	13%
62	62%	75	30%	88	12%
63	58%	76	28%	89	11%
64	54%	77	26%	90 and over	10% ]
65	50%	78	24%		

#### **ELIGIBILITY FOR THE PAYMENT OF BENEFITS**

For you to be eligible for benefits provided by the policy, we must verify that you are Chronically Ill and that you have been certified as Chronically Ill within the past 12 months by a Licensed Health Care Practitioner. In addition:

- You must also satisfy the Elimination Period;
- The service must be covered under the policy and be provided pursuant to a written Plan of Care;
- You must not have exhausted any daily, monthly, annual or lifetime limits on the specific benefits claimed; and
- The service, cost or item for which benefits are payable must constitute Qualified Long-term Care Services.

## **10. EXCLUSIONS AND LIMITATIONS**

With respect to reimbursement benefits, the policy will not pay any expenses incurred for room and board, care, treatment, services, equipment, or other items as listed below. With respect to indemnity benefits, the policy will not pay for room and board, care, treatment, services, equipment or other items as listed below.

1. care or services provided by a Family Member unless:
  - a) he or she is a regular employee of an organization which is providing the treatment, service or care; and
  - b) the organization receives the payment for the treatment, service or care; and
  - c) he or she receives no compensation other than the normal compensation for employees in his or her job category; or
  - d) such care or services are received under the Informal Caregiver for Homemaker Services Benefit; or
2. care or services for which no charge is made in the absence of insurance; or

3. care or services provided outside the United States of America, Canada or the United Kingdom except as provided for under the International Travel Benefit; or
4. care or services that result from war or act of war, whether declared or undeclared; or
5. care or services that result from suicide (while sane or insane), an attempt at suicide or an intentionally self-inflicted injury; or
6. care or services for alcoholism or drug addiction (except for an addiction to a prescription medication when administered in accordance with the advice of your Physician); or
7. treatment provided in a government facility (unless otherwise required by law) except a Veteran's Administration facility; services for which benefits are available under Medicare or other governmental program (except Medicaid), any state or federal workers' compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law; or
8. services received while the policy is not in force, except as provided in the Extension of Benefits section.

### **Non-Duplication With Veteran's Administration Benefits**

We will pay the difference between your actual expenses incurred in a Veteran's Administration facility and the benefits payable for covered expenses you incur or covered services you receive that are provided by or in the Veteran's Administration facility. Our payment will not exceed the amount we would have paid in the absence of any Veteran's Administration benefits.

### **Coordination With Medicare**

We will not pay expenses incurred for services or items to the extent that such expenses are reimbursable under Title XVIII of the Social Security Act (Medicare) or would be so reimbursable for the application of a deductible or coinsurance amount.

## **THIS POLICY MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG-TERM CARE NEEDS.**

### **11. RELATIONSHIP OF COST OF CARE AND BENEFITS**

Because the costs of long-term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted. You may elect one of the inflation protection options to increase your coverage. Only increases taken in accordance with one of the inflation protection options do not require proof of insurability.

#### **5% Compound Inflation Protection**

If you elect the optional 5% Compound Inflation Protection Benefit, we will increase each maximum daily benefit and the remaining amount of your Maximum Lifetime Benefit by 5% compounded annually, as long as the benefit and your policy remain in force. The increase will be effective on each anniversary of the benefit even if you are receiving benefits.

#### **[5% Compound Inflation Protection – 20 Year**

If you elect the optional 5% Compound Inflation Protection-20 Year Benefit, we will increase each maximum daily benefit and the remaining amount of your Maximum Lifetime Benefit by 5% compounded annually through the 20<sup>th</sup> anniversary date of the benefit, as long as the benefit and your policy remain in force. The increase will be effective on each anniversary of the benefit through the 20th anniversary date of the benefit even if you are receiving benefits. ]

#### **[5% Simple Inflation Protection**

If you elect the optional Simple Inflation Protection Benefit, we will increase each original maximum daily benefit and the lesser of the initial amount of or the unused balance remaining in your Maximum

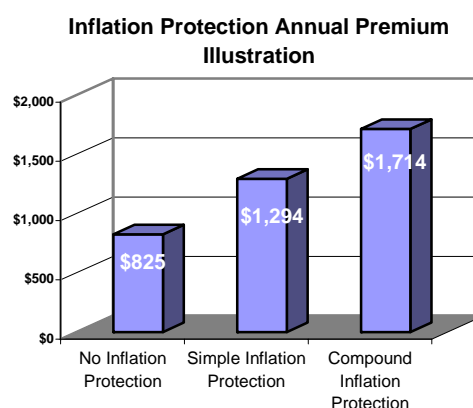
Lifetime Benefit by 5% as long as the benefit and your policy remain in force. The increase will be effective on each anniversary of the effective date of the benefit even if you are receiving benefits.]

### **Guaranteed Purchase Option**

If you elect this option, you will periodically be offered the option to increase the original amount of each maximum daily benefit and the remaining amount of your Maximum Lifetime Benefit. An offer will be made beginning on the second anniversary of the original policy effective date, or until the first policy anniversary date coinciding with or next following your 80<sup>th</sup> birthday, whichever occurs first, as long as your coverage remains in force, you have not refused two consecutive offers and you are not receiving benefits under the policy. If the 2<sup>nd</sup> anniversary of the original policy effective date coincides with or follows your 80<sup>th</sup> birthday, you will receive only one offer to increase your maximum daily benefits. Each offer to increase the maximum daily benefits will be 10% of the original maximum daily benefits you elected when your policy was issued. Amounts greater than or less than 10% may not be purchased under this option. Additional premium will be required for each increase in coverage, and such premium will be based on your age and premium rate as of the effective date of the offer.

### **Inflation Protection – Graphic Comparisons**

The chart below compares and contrasts the anticipated cost for one year of institutional care over a 25-year period with the Maximum Lifetime Benefit for three types of coverage: one with 5% compound inflation protection; one with 5% simple inflation protection; and one with no inflation protection at all. The chart assumes that the insured starts with \$47,450 in coverage. A second chart compares the annual premium paid by a 63-year old for policies with 5% compound inflation protection; 5% simple inflation protection; and no inflation protection, assuming the following coverage features: a Maximum Lifetime Benefit of 1095 times the Nursing Home Maximum Daily Benefit; a \$70 Nursing Home Maximum Daily Benefit; a \$70 Home Health Care Maximum Daily Benefit; and an Elimination Period of 30 days.



## **12. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS**

Once your application for coverage under the policy is approved, the policy provides coverage for treatment of Alzheimer's disease, Parkinson's disease, senile dementia, and all other forms of organic brain disease.

### 13. PREMIUM

Refer to the table below to find the annual premium.

PREMIUM	
<b>Premium Payment Mode</b> (Adjustment Factor)  ∂ Annual (1.0) ∂ Semi-Annual (.52) ∂ Quarterly (.265) ∂ Monthly Electronic Funds Transfer (.09)	Basic Policy Coverage Premium: \$ XXX.XX
	Nonforfeiture Benefit – Shortened Benefit Period: \$ XXX.XX
	5% Compound Inflation Protection Benefit: \$ XXX.XX
	[5% Compound Inflation Protection – 20 Year Benefit: \$ XXX.XX]
	[5% Simple Inflation Protection Benefit: \$ XXX.XX]
	Guaranteed Purchase Option: \$ XXX.XX
	Spouse Waiver of Premium and Survivorship Benefit: \$ XXX.XX
	Limited Pay - 10 Pay option: \$ XXX.XX
	Limited Pay - Paid Up at 65 option: \$ XXX.XX]
	<b>Total Annual Premium:</b> \$ XXX.XX
	<b>Modal Premium:</b> \$ XXX.XX
<i>(Annual X Mode Factor)</i>	

### 14. ADDITIONAL FEATURES

#### Underwriting

Medical underwriting is required. We will underwrite your application by reviewing one or more of the following: the information submitted on your application; an attending Physician's report; copies of your medical records; a medical evaluation; a telephone interview; and an in-person interview.

#### Extension of Benefits

If your policy terminates due to failure to pay premium while you are confined in a Nursing Home, an Assisted Living Facility, or a Hospice Care Facility, benefits will be paid in the same manner as if your policy was in force. Extension of Benefits stops on the earlier of the date when you no longer meet the Eligibility for the Payment of Benefits requirements; the date you are no longer confined in a Nursing Home, an Assisted Living Facility or a Hospice Care Facility; or the date your Maximum Lifetime Benefit is reached.

#### Added Protection Against Lapse

If your coverage terminates due to non-payment of premiums because you were Chronically Ill, your coverage will be reinstated if we receive proof from a Licensed Health Care Practitioner (or other proof approved by us) that you were Chronically Ill. We must receive such proof and you must pay all past due premiums for the coverage that was in force within five (5) months after termination of your policy.

### 15. CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU HAVE GENERAL QUESTIONS REGARDING LONG-TERM CARE INSURANCE. CONTACT THE INSURANCE COMPANY IF YOU HAVE SPECIFIC QUESTIONS REGARDING YOUR LONG-TERM CARE INSURANCE POLICY.

## DEFINITIONS

**Activities of Daily Living** means the following self-care functions:

**Bathing:** Washing oneself by sponge bath; or in either a tub or shower, including the task of getting into or out of the tub or shower.

**Dressing:** Putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.

**Toileting:** Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.

**Transferring:** Moving into or out of a bed, chair or wheelchair.

**Continence:** The ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag.)

**Eating:** Feeding oneself by getting food into the body from a receptacle (such as a plate, cup, or table) or by a feeding tube or intravenously.

**Adult Day Care** means a program for six or more individuals of social and health-related services provided during the day in a community group setting for the purpose of supporting frail, impaired elderly or other disabled adults who can benefit from care in a group setting outside the Home.

**Adult Day Care Center** means a facility that is licensed or certified to provide a planned program of adult day care services by the state in which it operates. If the state does not license or certify such facilities, then it must be operated pursuant to law and meet certain standards.

**Assisted Living Facility** means a facility that is licensed or certified and engages primarily in providing ongoing care in one location. The facility must have an employee on-site 24 hours a day and provide care and services sufficient to support needs resulting from inability to perform Activities of Daily Living or Severe Cognitive Impairment. If the state does not license or certify such facilities, then it must be operated pursuant to law and meet certain standards.

**Care Coordination Services Provider** means an agency, entity or person that provides care coordination and meets certain standards that pertain to staffing requirements, quality assurance, agency functions, and reporting and records maintenance requirements.

**Care Coordinator** means a Licensed Health Care Practitioner employed by or under contract to a Care Coordination Services Provider who is qualified by training and experience to assess and coordinate the overall care needs of a person who is Chronically Ill. You are not required to use the Care Coordinator designated by us. You may choose to use your own Care Coordinator.

**Chronically Ill** means that you have been certified by a Licensed Health Care Practitioner as: a) being unable to perform, without Substantial Assistance from another person, at least two Activities of Daily Living for a period that is expected to last at least 90 consecutive days due to a loss of functional capacity, or b) requiring Substantial Supervision to protect yourself from threats to health and safety due to a Severe Cognitive Impairment.

**Durable Medical Equipment** means equipment included in your Plan of Care which: is functionally necessary and not just for your convenience; is designed for repeated and prolonged use; is suited for use in the Home; and can enhance your ability to perform Activities of Daily Living.

Infusion pumps, special hospital-style beds, walkers, or wheelchairs are examples of types of equipment that may be considered Durable Medical Equipment. Durable Medical Equipment does not include any drug, medicine or equipment implanted in your body, temporarily or permanently. Also not included is any Home Modification, motorized scooter, or sporting, protective, athletic or exercise equipment.

**Elimination Period** means the total number of days that you remain Chronically Ill and incur covered expenses or receive covered services before benefits are payable. The Elimination Period begins on the first day that you are Chronically Ill and incur covered expenses or receive covered services. Each day on which you remain Chronically Ill and incur covered expenses or receive covered services will count toward the Elimination Period. The days do not have to be consecutive. The number of days may be accumulated before the filing of a claim if we can establish that you met these requirements before the filing of a claim. The Elimination Period need only be met once during your lifetime.

Note, the Elimination Period applies to all policy benefits, except: the Respite Care Benefit; the Hospice Care Benefit; the Caregiver Training Benefit; the Durable Medical Equipment Benefit; the Home Modification Benefit; the Medical Alert System Benefit; and the Care Coordination Services.

**Family Member** means your spouse and anyone who is related to you or your spouse (including adopted, in-law and step-relatives) as a parent, grandparent, child, grandchild, brother, sister, aunt, uncle, first cousin, nephew or niece.

**Home** means the place where you maintain independent residence. Home does not mean: a Nursing Home; a hospital; an Assisted Living Facility; any other institutional setting where you are dependent on others for assistance with Activities of Daily Living; or the residence of the person providing the Homemaker Services or Home Health Care.

**Home Health Care** means part-time or intermittent skilled services provided by a nurse; to support your compliance with your medication/treatment regimen; home health aide services; physical therapy, respiratory therapy, occupational therapy or speech therapy. These services must be provided in your Home by a Home Health Agency.

**Home Health Care Agency** means an entity that is regularly engaged in providing Home Health Care services, Maintenance or Personal Care Services or Homemaker Services for compensation and employs staff who are qualified by training or experience to provide such care. The entity must: be supervised by a qualified professional such as a Registered Nurse (RN), a licensed social worker, or a Physician; keep clinical records or care plans on all patients; provide ongoing supervision and training to its employees appropriate to the services to be provided; and have the appropriate state licensure, accreditation or certification, where required.

**Homemaker Services** means the following services which you receive from a paid eligible provider to the extent that they constitute Maintenance or Personal Care Services: laundry services; routine food shopping and errands; meal preparation and cleanup; and domestic or cleaning services.

**Hospice Care** means services designed to provide palliative care and alleviate your physical, emotional and social discomforts if you are Terminally Ill and in the last phases of life.

**Licensed Health Care Practitioner** means any of the following who is not a Family Member: a Physician (as defined in Section 1861(r)(1) of the Social Security Act); a registered professional

nurse; a licensed social worker; or any other individual who meets such requirements as may be prescribed by the Secretary of the Treasury of the United States.

**Maintenance or Personal Care Services** means any care the primary purpose of which is the provision of needed assistance with helping you conduct your Activities of Daily Living while you are Chronically Ill. This includes protection from threats to health and safety due to Severe Cognitive Impairment.

**Medical Alert System** means a communication system installed in your Home that is used solely for the purpose of calling for assistance in the event of a medical emergency. A Medical Alert System does not include charges for a normal telephone service, or for a home security system, or any other similar service or device.

**Nursing Home** means a facility or distinctly separate part of a hospital or other institution that is engaged primarily in providing nursing care to inpatients under a planned program supervised by a Physician and, where required, has the appropriate state licensure, certification or registration as a Nursing Home. It also must meet all of the following requirements:

- provides twenty-four (24) hour-a-day nursing care by a Nurse under the supervision of a Registered Nurse (R.N.) or a Physician;
- maintains a daily medical record of each inpatient; and
- provides nursing care at skilled, intermediate, or custodial levels.

Nursing Home includes a Veteran's Administration facility and an Alzheimer's Facility.

A Nursing Home does not include: a hospital or clinic; a place which operates primarily for the treatment of alcoholism, drug addiction, or Mental or Nervous Disorders; an Assisted Living Facility; an adult residential care home; a domiciliary care facility; or Your primary place of residence in an area used principally for independent residential living; or a similar establishment. If a facility has multiple licenses, a portion, wing, ward, or unit will qualify as a Nursing Home only if it: meets all of the above criteria; is authorized to provide nursing care to inpatients; and is engaged principally in providing such nursing care in accordance with that license.

**Physician** means a doctor of medicine or osteopathy legally authorized to practice medicine and surgery by the state in which he or she performs such function or action (as defined in Section 1861 (r) (1) of the Social Security Act) other than you or a Family Member. He or she must be providing services within the scope of his or her license. Physician does not include: you; a Family Member; anyone who normally resides in your Home; or anyone who has a financial interest in, or is an employee of, a facility, agency, or center administering the Plan of Care.

**Plan of Care** means a written individualized plan of services approved by us and prescribed by a Licensed Health Care Practitioner. The Plan of Care specifies your long-term care needs and the type, frequency, and providers of the services appropriate to meet those needs and the costs, if any, of those services. The Plan of Care will be modified as required to reflect changes in: your functional or cognitive abilities; your social situation; and your care service needs.

**Qualification Free Period** means a period of 180 consecutive days during which a Licensed Health Care Practitioner certifies, that you meet the following: you are able to perform, without Substantial Assistance from another individual, all Activities of Daily Living; and you do not require Substantial Supervision by another person to protect yourself from threats to health and safety due to Severe Cognitive Impairment; and you have been informed by your Physician or Licensed Health Care

Practitioner that you no longer require, and have not been advised to receive, and are not receiving, services that would otherwise have been covered by the policy.

**Qualified Long-term Care Services** means necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services and Maintenance or Personal Care Services which are required by a Chronically Ill individual and are provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

**Severe Cognitive Impairment** means a loss or deterioration in intellectual capacity that is comparable to (and includes) Alzheimer's disease and similar forms of irreversible dementia; and is measured by clinical evidence and standardized tests that reliably measure impairment in your: short-term or long-term memory; orientation as to people, places or time; and deductive or abstract reasoning.

**Spouse** means the person you are legally married to [or a Domestic Partner].

**Substantial Assistance** means either Hands-on Assistance or Standby Assistance.

Hands-on Assistance is the physical assistance of another person without which you would be unable to perform the Activities of Daily Living.

Standby Assistance means the presence of another person, within your arm's reach, that is necessary to prevent, by physical intervention, your injury while you are performing the Activity of Daily Living.

**Substantial Supervision** means continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person that is necessary to protect you from threats to your health or safety (including, but not limited to, such threats as may result from wandering.)



## LONG-TERM CARE INSURANCE - OUTLINE OF COVERAGE

For Policy Form Series LTC04I

One or Two Maximum Lifetime Benefits – Tax Qualified or Non-Tax Qualified

Name of Applicant: John A. Doe Date of Application: 1-02-04

**NOTICE TO BUYER:** The policy may not cover all of the costs associated with long-term care incurred by the buyer during the period of coverage. The buyer is advised to review carefully all policy limitations.

**CAUTION:** The issuance of the long-term care insurance policy is based upon the responses to questions on your application. A copy of your application will be attached to your policy if one is issued to you. If your answers are incorrect or untrue, we have the right to deny benefits or rescind the policy. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your answers are incorrect, contact us at this address: Mutual of Omaha Insurance Company, [Long Term Care Service Office, P. O. Box 5710, Hopkins, MN 55343-5710].

### 1. POLICY DESIGNATION

This is an individual policy of insurance to be issued in the [state of residence].

### 2. PURPOSE OF THE OUTLINE OF COVERAGE

This outline of coverage provides a very brief description of the important features of the policy. You should compare this outline of coverage to outlines of coverage for other policies available to you. This is not an insurance contract, but only a summary of coverage. Only the individual or group policy contains governing contractual provisions. This means that the individual or group policy sets forth in detail the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you **READ YOUR POLICY (OR CERTIFICATE) CAREFULLY!**

### 3. FEDERAL TAX CONSEQUENCES

- ∂ The policy is intended to be a federally tax-qualified long-term care insurance contract under Section 7702B (b) of the Internal Revenue Code of 1986 (as amended by the Health Insurance Portability and Accountability Act of 1996 - Public Law 104-191).
- ∂ The policy is not intended to be a federally tax-qualified long-term care insurance contract under Section 7702B (b) of the Internal Revenue Code of 1986 (as amended by the Health Insurance Portability and Accountability Act of 1996 - Public Law 104-191).

### 4. TERMS UNDER WHICH THE POLICY OR CERTIFICATE MAY BE CONTINUED IN FORCE OR DISCONTINUED

#### Renewability

THIS POLICY IS GUARANTEED RENEWABLE. This means you have the right, subject to the terms of the policy, to continue the policy as long as premiums for your coverage are paid on time. Mutual of Omaha Insurance Company cannot change any of the terms of your policy on its own, except that, in the future, WE MAY INCREASE THE PREMIUM YOU PAY.

#### Waiver of Premium

We will waive the payment of your premium which becomes due while your policy is in force and you meet the Eligibility for the Payment of Benefits provision requirements. The Waiver of Premium Benefits will not apply if the only benefits you are receiving are Respite Care Benefits; Caregiver Training Benefits;

Home Modification Benefits; Informal Caregiver Benefit for Homemaker Services; Medical Alert System Benefits; Durable Medical Equipment Benefits; or Care Coordination Services. To qualify for the waiver of premium benefit, you must be receiving any of the following benefits: Nursing Home, Assisted Living Facility or Home Health Care (at least 8 days per month). If you cease to receive benefits, premium payment will again be required. Future premiums must be paid as they become due.

#### **5. TERMS UNDER WHICH THE COMPANY MAY CHANGE PREMIUMS**

**Premiums will not increase due to a change in your age or health. We can, however, change premiums based on premium class; but only if we change the premiums for all policies issued to your premium class in your state. Premium class means a population segment classified by our actuaries as having similar characteristics, such as issue age, issue year, form number, rate classification, geographic area of residence and selected benefit options or other criteria. Any premium changes will be effective on the next premium due date following our notice to you.**

#### **6. TERMS UNDER WHICH THE POLICY OR CERTIFICATE MAY BE RETURNED AND PREMIUM REFUNDED**

- a) You may cancel your policy for any reason within 30 days after you receive it. To do so, mail or deliver the policy to either us or to the agent or office through which it was purchased. We will refund the full amount of any premium paid within 30 days of such a policy return; and the policy will be considered never to have been issued.
- b) The policy contains a provision for the return of unearned premium in the event of termination due to death. It also provides for the return of unearned premium upon surrender or cancellation of the policy.

#### **7. THIS IS NOT MEDICARE SUPPLEMENT COVERAGE**

If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from Mutual of Omaha Insurance Company. Neither Mutual of Omaha Insurance Company nor its agents represent Medicare, the federal government, or any state government.

#### **8. LONG-TERM CARE COVERAGE**

Policies of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting other than an acute care unit of a hospital, such as in a Nursing Home, in the community, or in the Home. This policy reimburses you for expenses you incur for covered long-term care expenses. An indemnity benefit option is also available under federally tax-qualified coverage for the [Nursing Home Benefit, Assisted Living Facility Benefit and Home Health Care Benefit]. The indemnity benefit option provides coverage in the form of a fixed dollar indemnity benefit. It is subject to the Elimination Period, coverage maximums, policy terms and limitations, and other requirements.

## 9. BENEFITS PROVIDED BY THE POLICY – BENEFIT ELIGIBILITY

### Benefits

Benefits are available up to the daily, monthly, annual, and lifetime maximums until the applicable maximum lifetime benefits you selected are exhausted. You may select your level of coverage and coverage features from the options listed in the table below.

COVERAGE SELECTION		
<b>One Maximum Lifetime Benefit</b>		
<b>Maximum Lifetime Benefit</b>	<b>Home Health Care Maximum</b>	<b>Elimination Period</b>
∅ Unlimited	<b>Daily Benefit</b>	∅ 0 Days      [∅ 15 Days]
∅ [2190 X NH MDB (6 Years)]	\$ [XXX.XX]	[∅ 20 Days]      ∅ 30 Days
∅ 1825 X NH MDB (5 Years)	∅ 50%    ∅ 100% of NH MDB	∅ 60 Days      ∅ 90 Days
∅ 1460 X NH MDB (4 Years)	<b>Assisted Living Facility Maximum</b>	[∅ 100 Days]    ∅ 180 Days
∅ 1095 X NH MDB (3 Years)	<b>Daily Benefit</b>	∅ 365 Days
∅ 730 X NH MDB (2 Years)	\$ [XXX.XX]	∅ Waiver of Elimination Period for Home Health Care Benefit
<b>Nursing Home Maximum Daily Benefit (NH MDB)</b>	100% of NH MDB	
\$ [XXX.XX]		
<b>Two Maximum Lifetime Benefits</b>		
<b>Confinement Maximum</b>	<b>Nursing Home Maximum Daily</b>	<b>Confinement Maximum Benefits</b>
<b>Lifetime Benefit</b>	<b>Benefit (NH MDB)</b>	<b>Elimination Period</b>
∅ Unlimited	\$ [XXX.XX]	∅ 0 Days      [∅ 15 Days]
∅ [2190 X NH MDB (6 Years)]		[∅ 20 Days]      ∅ 30 Days
∅ 1825 X NH MDB (5 Years)	<b>Assisted Living Facility Maximum</b>	∅ 60 Days      ∅ 90 Days
∅ 1460 X NH MDB (4 Years)	<b>Daily Benefit</b>	[∅ 100 Days]      ∅ 180 Days
∅ 1095 X NH MDB (3 Years)	\$ [XXX.XX]	∅ 365 Days
∅ 730 X NH MDB (2 Years)	100% of NH MDB	
<b>Home Health Care Maximum</b>	<b>Home Health Care Maximum</b>	<b>Home Health Care Maximum</b>
<b>Lifetime Benefit</b>	<b>Daily Benefit (HHC MDB)</b>	<b>Lifetime Benefits Elimination Period</b>
∅ Unlimited	\$ [XXX.XX]	∅ 0 Days      [∅ 15 Days]
∅ [2190 X HHC MDB (6 Years)]	Must be at least 50% of NH MDB	[∅ 20 Days]      ∅ 30 Days
∅ 1825 X HHC MDB (5 Years)		∅ 60 Days      ∅ 90 Days
∅ 1460 X HHC MDB (4 Years)		[∅ 100 Days]      ∅ 180 Days
∅ 1095 X HHC MDB (3 Years)		∅ 365 Days
∅ 730 X HHC MDB (2 Years)		
<b>OPTIONAL BENEFITS</b>		
<b>Inflation Protection</b>	∅ Non-Tax Qualified Plan	<b>[Indemnity Coverage]</b>
∅ [3% Compound Inflation]	∅ Nonforfeiture Benefit - Shortened	∅ Nursing Home
∅ [4% Compound Inflation]	Benefit Period	∅ Nursing Home/Assisted
∅ 5% Compound Inflation	[∅ Restoration of Benefits]	Living
∅ [3% Step Rated Compound Inflation]	∅ Spouse Benefit	∅ Nursing Home/Assisted
∅ [4% Step Rated Compound Inflation]	∅ Spouse Waiver of Premium and	Living/Home Health Care]
∅ [5% Step Rated Compound Inflation]	Survivorship Benefit	<b>Limited Pay Options</b>
∅ [10 Year 5% Compound Inflation]	∅ Monthly Home Health Care Benefits	∅ 10 Year Option
∅ 20 Year 5% Compound Inflation		∅ [20 Year Option]
∅ [5% Simple Inflation]		∅ Paid Up at 65 Option
∅ Guaranteed Purchase Option		∅ None
∅ None		

### **Nursing Home Benefit**

We will pay your covered expenses up to the Nursing Home Maximum Daily Benefit for each day you meet the Eligibility for the Payment of Benefits requirements and are confined in a Nursing Home. The Nursing Home Benefit is subject to your Maximum Lifetime Benefit (if you elect the one maximum lifetime benefit policy) or your Confinement Maximum Lifetime Benefit (if you elect the two maximum lifetime benefit policy).

### **Nursing Home Bed Reservation Benefit**

If you meet the Eligibility for the Payment of Benefits requirements and are absent for any reason (except discharge) during a Nursing Home confinement, and are charged by the facility to reserve your place there we will continue to pay the Nursing Home Benefit as if you were still confined. This benefit is payable for a maximum of 31 days per calendar year. Any unused days cannot be carried over into the next calendar year. The Nursing Home Bed Reservation Benefit is subject to your Maximum Lifetime Benefit (if you elect the one maximum lifetime benefit policy) or your Confinement Maximum Lifetime Benefit (if you elect the two maximum lifetime benefit policy).

### **Nursing Home Ambulance Benefit**

If you meet the Eligibility for the Payment of Benefits requirements and are confined in a Nursing Home, we will pay the actual charges incurred for each round trip you take from a Nursing Home to a hospital. The Nursing Home Ambulance Benefit is subject to the Nursing Home Ambulance Benefit Round Trip Maximum (two times your Nursing Home Maximum Daily Benefit) and a Nursing Home Ambulance Maximum Annual Benefit (four times your Nursing Home Maximum Daily Benefit). It is also subject to the Maximum Lifetime Benefit (if you elect the one maximum lifetime benefit policy) or Confinement Maximum Lifetime Benefit (if you elect the two maximum lifetime benefit policy).

### **Assisted Living Facility Benefit**

We will pay your covered expenses up to the Assisted Living Facility Maximum Daily Benefit for each day you meet the Eligibility for the Payment of Benefits requirements and are confined in an Assisted Living Facility. The Assisted Living Facility Benefit is subject to the Maximum Lifetime Benefit (if you elect the one maximum lifetime benefit product) or the Confinement Maximum Lifetime Benefit (if you elect the two maximum lifetime benefit product).

### **Assisted Living Facility Bed Reservation Benefit**

If you meet the Eligibility for the Payment of Benefits requirements and are absent for any reason (except discharge) during an Assisted Living Facility confinement, and are charged by the facility to reserve your place there we will continue to pay the Assisted Living Facility Benefit as if you were still confined. This benefit is payable for a maximum of 31 days per calendar year. Any unused days cannot be carried over into the next calendar year. The Assisted Living Facility Bed Reservation Benefit is subject to your Maximum Lifetime Benefit (if you elect the one maximum lifetime benefit policy) or your Confinement Maximum Lifetime Benefit (if you elect the two maximum lifetime benefit policy).

### **Home Health Care Benefit**

The Home Health Care Benefit provides benefits for Home Health Care services, Maintenance or Personal Care Services, Homemaker Services and care in an Adult Day Care Center and fees charged for transportation to and from the Adult Day Care Center. If you meet the Eligibility for the Payment of Benefits requirements, we will pay your covered expenses you incur each day up to the Home Health Care Maximum Daily Benefit. The Home Health Care Benefit is subject to your Maximum Lifetime Benefit (if you elect the one maximum lifetime benefit policy) or your Home Health Care Maximum Lifetime Benefit (if you elect the two maximum lifetime benefit policy).

### **Hospice Care Benefit**

The Hospice Care Benefit covers Hospice Care expenses you incur during your confinement in a Hospice Care Facility, Assisted Living Facility or a Nursing Home for: room and board; ancillary services provided by the Hospice Care Facility, Assisted Living Facility or Nursing Home; and patient supplies provided by the Hospice Care Facility, Assisted Living Facility or Nursing Home for care of their residents. The Hospice Care Benefit also includes covered expenses for Home Health Care. If you meet the Eligibility for the Payment of Benefits requirements and you are terminally ill (six months or less to live), we will pay expenses you incur up to the applicable maximum daily benefit and maximum lifetime benefit, depending upon where your Hospice Care is received. You are not required to satisfy the Elimination Period before we will pay the Hospice Care Benefits. However, days on which you receive only Hospice Care services will not count toward satisfying the Elimination Period.

### **Respite Care Benefit**

Respite care is temporary care provided to you to allow time off for those persons who ordinarily care for you on a regular unpaid basis. If you meet the Eligibility for the Payment of Benefits requirements, we will pay the covered expenses you incur for Respite Care in a Nursing Home, Assisted Living Facility or your Home. The amount we pay is subject to the Nursing Home Maximum Daily Benefit, regardless of where your care is received. The Respite Care Maximum Annual Benefit of 31 days is payable only once per calendar year. You are not required to satisfy the Elimination Period before we will pay the Respite Care Benefits. However, days on which you receive only Respite Care services will not count toward satisfying the Elimination Period. The Respite Care Benefit is subject to the Maximum Lifetime Benefit (if you elect the one maximum lifetime benefit policy) or the Confinement Maximum Lifetime Benefit (if you elect the two maximum lifetime benefit policy).

### **Care Coordination Services**

If you meet the Eligibility for the Payment of Benefits requirements, we will provide you with Care Coordination services from a Care Coordination Services Provider designated by us. If you use a Care Coordinator or Care Coordination Services Provider designated by us, the Care Coordinator will help you identify your specific care needs and the long-term care services and programs in your area which can best meet those needs. These services are advisory only and are provided at no additional cost to you. However, if you choose to use your own Care Coordinator, we will pay only the expenses you incur for your own Care Coordinator to perform an initial assessment and develop a Plan of Care up to a maximum benefit of five times your Nursing Home Maximum Daily Benefit. You are not required to follow the recommendations or use the services or providers identified in the Plan of Care. You are not required to satisfy the Elimination Period in order to receive Care Coordination services. However, days on which you receive only Care Coordination services will not count toward satisfying the Elimination Period. Care Coordination Services will not reduce your maximum lifetime benefit(s).

### **Caregiver Training Benefit**

If you meet the Eligibility for the Payment of Benefits requirements and Caregiver Training Benefits are recommended in a written Plan of Care and when mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy, we will pay the covered expenses incurred for training a Family Member or friend to provide care for you in your Home. We will not pay for training provided to someone who will be paid to care for you. The training cannot be received when you are confined in a hospital, Assisted Living Facility or Nursing Home, unless it is reasonably expected that the training will make it possible for you to return to your Home where you can be cared for by the person receiving the training. You are not required to satisfy the Elimination Period before we will pay benefits for Caregiver Training. However, days on which you receive only Caregiver Training will not count toward satisfying the Elimination Period. A Caregiver Training Maximum Lifetime Benefit of 15 times the Home Health Care Daily Maximum Benefit applies to this benefit.

### **Durable Medical Equipment Benefit**

If you meet the Eligibility for the Payment of Benefits requirements, we will pay the expenses you incur for rental or purchase of Durable Medical Equipment when recommended in a written Plan of Care and when mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy. Durable Medical Equipment Benefits may be paid in addition to other benefits for covered care received on the same day. You are not required to satisfy the Elimination Period before we will pay the Durable Medical Equipment Benefit. However, days on which you receive only Durable Medical Equipment Benefits will not count toward satisfying the Elimination Period. A Durable Medical Equipment Maximum Lifetime Benefit of 30 times the Home Health Care Maximum Daily Benefit applies to this benefit.

### **Home Modification Benefit**

If you meet the Eligibility for the Payment of Benefits requirements, we will pay the expenses you incur for Home Modification when recommended in a Plan of Care and when mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy. This benefit may not be used solely to increase the value of your Home. You are not required to satisfy the Elimination Period before we will pay the Home Modification Benefit. However, days on which you receive only Home Modification Benefits will not count toward satisfying the Elimination Period. A Home Modification Maximum Lifetime Benefit of 60 times the Home Health Care Maximum Daily Benefit applies to this benefit.

### **Informal Caregiver Benefits for Homemaker Services**

If you meet the Eligibility for the Payment of Benefits requirements and Informal Caregiver Benefits for Homemaker Services Benefits are recommended in a written Plan of Care and when mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy, we will pay a daily benefit for care you receive from an Informal Caregiver who does not normally reside with you and who is providing you with Maintenance or Personal Care Services. The daily benefit is equal to 25% of the Home Health Care Maximum Daily Benefit. We will pay this benefit up to the Informal Caregiver Benefit for Homemaker Services Maximum Lifetime Benefit.

### **Medical Alert System Benefit**

If you meet the Eligibility for the Payment of Benefits requirements, we will pay the expenses you incur for the installation and rental of a Medical Alert System if the use of such system is recommended in a written Plan of Care and is mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy. You are not required to satisfy the Elimination Period before we will pay the Medical Alert System Benefit. However, days on which you receive only Medical Alert System Benefits will not count toward satisfying the Elimination Period. The Medical Alert System Benefit is subject to the Medical Alert System Maximum Installation Benefit (one times the Home Health Care Maximum Daily Benefit) for the installation of the system and the Medical Alert System Maximum Monthly Benefit (.5 times the Home Health Care Maximum Daily Benefit) for the monthly operation of the system up to the Medical Alert System Maximum Lifetime Benefit (30 times the Home Health Care Maximum Daily Benefit).

### **Alternate Care Benefit**

You must meet the Eligibility for the Payment of Benefits requirements in order to be eligible to receive the Alternate Care Benefit. We reserve the right to authorize alternate services or special treatments, devices or types of care, consistent with generally accepted medical practices, in a written alternate Plan of Care for which no benefits are otherwise payable under the policy. This includes new types of Qualified Long-term Care Services that may be developed at some future time. If you choose the non-tax qualified plan, we will consider new types of long-term care services that may be developed at some future time. You or your representative, your Physician (if appropriate) and we must all agree that the alternate services or special

treatments, devices or types of care are alternate forms of treatment appropriate to meet your needs and are determined to be a cost-saving alternative.

### **International Travel Benefit**

If you meet the Eligibility for the Payment of Benefits requirements while you are traveling outside the United States, its possessions or territories, we will pay you a cash indemnity benefit for covered services according to the terms of the policy. This payment is in lieu of all benefit payments otherwise available under the policy. We will pay the Nursing Home Maximum Daily Benefit for each day you are eligible to receive the International Travel Benefit, for a period not to exceed a maximum lifetime benefit of 31 days. All benefit payments made will be in U.S. dollars.

## **OPTIONAL BENEFITS**

You may elect any of the following options to expand the benefits under the policy:

### **Restoration of Benefits**

Following a period during which we had been paying benefits, we will restore your remaining Maximum Lifetime Benefit (if you elect the one maximum lifetime benefit policy) or the Confinement Maximum Lifetime Benefit and Home Health Care Maximum Lifetime Benefit (if you elect the two maximum lifetime benefit policy) to their most recent levels before you received benefits if you meet a Qualification Free Period. If all of the conditions of the Qualification Free Period are met, the maximum lifetime benefit(s) will be restored on the 181<sup>st</sup> day after the last date you incur covered expenses or receive covered services. Your maximum lifetime benefit(s) may be restored an unlimited number of times, as long as the Qualification Free Period is met each time. The restored amount will not exceed any maximum lifetime benefit(s) payable. The maximum lifetime benefit(s) is/are the only benefit limit(s) to be restored. No Restoration of Benefits will be available if your maximum lifetime benefit(s) has/have been reduced to zero.]

### **Spouse Benefit (For tax-qualified plans only.)**

If you choose the tax-qualified plan and you are receiving benefits, we will pay you an additional cash benefit. The additional benefit that we will pay is the spouse benefit percentage [(60%)] multiplied by the daily or, if applicable, monthly benefit we pay you for covered expenses you incur. Benefits paid under this provision will not reduce any applicable maximum lifetime benefit(s).

### **Spouse Waiver of Premium and Survivorship Benefit**

If both you and your Spouse are covered under Mutual of Omaha Long-Term Care Insurance policy series LTC04I and each of you has elected this coverage option you are eligible for the following benefits:

**Spouse Waiver Of Premium:** We will waive the payment of your premium after your Spouse qualifies for the Waiver of Premium Benefit. We will credit the pro-rata amount of premium paid for future periods after the premium waiver begins. Your premium will be waived for as long as your Spouse's premium continues to be waived and both policies are in force. Once your Spouse's Waiver of Premium ends, you must pay future premiums for your policy as they become due.

**Survivorship Benefit:** This benefit is applicable only if both you and your spouse are covered under Mutual of Omaha Long-Term Care Insurance policy series LTC04I and this benefit, and you and your Spouse are living on the tenth anniversary of the effective date of this benefit, and both policies are in force. If your Spouse dies on or after the tenth anniversary of the effective date of this benefit, your policy will become paid up effective on its next premium due date and will continue in force without further premium payments for the rest of your lifetime. [Any benefit added or increased prior to your Spouse's death must be paid for at least ten years from the date of such increase or addition before the premium for this addition or increase will

be paid-up due to this benefit. The premium for any benefit added after the death of your spouse will not be paid up.]

### **Monthly Home Health Care Benefit**

If you elect this option and meet the Eligibility for the Payment of Benefits requirements, we will pay the covered expenses you incur for Home Health Care during a calendar month up to the Monthly Home Health Care Benefit. The monthly maximum is 31 times the Home Health Care Maximum Daily Benefit. The Monthly Home Health Care Benefit provides benefits for services when provided to you by a Home Health Care Agency or by an Independent Provider for: Home Health Care services, Maintenance or Personal Care Services, care in an Adult Day Care Center and fees charged for transportation to and from the Adult Day Care Center, and Homemaker Services. You do not have to incur covered expenses on each day of the month in order to receive the full amount of the Monthly Home Health Care Benefit. However, if you do not meet the other Eligibility for the Payment of Benefits requirements for the full calendar month, your Monthly Home Health Care Benefit will be pro-rated. The reduced amount will reflect the actual number of days for which you meet the Eligibility for the Payment of Benefits requirements. The Monthly Home Health Care Benefit is subject to the Maximum Lifetime Benefit (if you elect the one maximum lifetime benefit policy) or the Home Health Care Maximum Lifetime Benefit (if you elect the two maximum lifetime benefit policy).

### **Indemnity Benefit Option (For tax-qualified plans only.)**

[If you choose the tax-qualified plan and elect this option and meet the Eligibility for the Payment of Benefits requirements, the amount we will pay when you are eligible to receive the Nursing Home Benefit[or,] the Assisted Living Facility Benefit [or the Home Health Care Benefit] will be modified as described below.]

#### **Nursing Home Indemnity Benefit [Option]:**

This benefit will be paid the same as the Nursing Home Benefit, except that we will pay the Nursing Home Indemnity Maximum Daily Benefit instead of paying covered expenses you have incurred up to the Nursing Home Maximum Daily Benefit.

#### **Assisted Living Facility Indemnity Benefit [Option]:**

This benefit will be paid the same as the Assisted Living Facility Benefit, except that we will pay the Assisted Living Facility Indemnity Maximum Daily Benefit instead of paying covered expenses you have incurred up to the Assisted Living Facility Maximum Daily Benefit.

#### **[Home Health Care Indemnity Benefit [Option]:**

This benefit will be paid the same as the Home Health Care Benefit, except that we will pay the Home Health Care Indemnity Maximum Daily Benefit instead of paying covered expenses you have incurred up to the Home Health Care Maximum Daily Benefit. ]

#### **[Christian Science Providers**

The Alternate Care Benefit includes services: provided by an accredited Christian Science Nurse listed in the Christian Science Journal; and incurred while confined in a Christian Science nursing facility currently recognized by The Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc., or any comparable accrediting organization, as long as such services are included in a written alternate Plan of Care.]

## **LIMITED PREMIUM PAYMENT OPTIONS**

You may elect any of the following options to pay the premiums for your policy within a limited time period:

### **10-Year Premium Payment Option**

This option provides that your policy premiums may be paid over a ten-year period, after which no additional premiums will be due. Prior to the end of your tenth policy year, you must make sure that you pay the premiums when they are due to continue your policy. [If the premium for your policy increases due to the addition of any option, the amount of the premium increase must be paid by you until the tenth anniversary of the date of the increase.] Prior to the end of your tenth policy year, we have the right to change your premiums in accordance with the Terms Under Which The Company May Change Premiums section.

### **20-Year Premium Payment Option**

This option provides that your policy premiums may be paid over a 20-year period, after which no additional premiums will be due. Prior to the end of your 20<sup>th</sup> policy year, you must make sure that you pay the premiums when they are due to continue your policy. [If the premium for your policy increases due to the addition of any option, the amount of the premium increase must be paid by you until the 20<sup>th</sup> anniversary of the date of the increase.] Prior to the end of your 20th policy year, we have the right to change your premiums in accordance with the Terms Under Which The Company May Change Premiums section.]

### **To-Age-65 Premium Payment Option**

This option provides that your policy premiums may be paid as due until the anniversary of the original policy effective date following your 65<sup>th</sup> birthday, after which no additional premiums will be due. Prior to your 65<sup>th</sup> birthday, you must make sure that you pay the premiums when they are due to continue your policy. [If the premium for your policy increases due to the addition of any option, the amount of the premium increase must be paid by you until the anniversary of the effective date of the option following your 65<sup>th</sup> birthday.] Prior to the policy anniversary date following your 65<sup>th</sup> birthday, we have the right to change your premiums in accordance with the Terms Under Which the Company May Change Premiums section.

## **OPTIONAL NONFORFEITURE BENEFITS**

### **Nonforfeiture Benefit – Shortened Benefit Period**

If you elect the optional Nonforfeiture Benefit–Shortened Benefit Period, it will provide a continuation of your policy up to a specified dollar amount, called the Shortened Benefit Period Allowance, if your policy terminates due to non-payment of premium before your Maximum Lifetime Benefit (if you elect the one maximum lifetime benefit policy) or your Confinement Maximum Lifetime Benefit and Home Health Care Maximum Lifetime Benefit (if you elect the two maximum lifetime benefit policy) has/have been paid. If your policy terminates due to non-payment of premium on or after the third anniversary of the effective date of the option, we will continue to pay benefits, subject to all of the terms and conditions of the policy, until the Shortened Benefit Period Allowance has been reached or when you no longer meet the Eligibility for the Payment of Benefits requirements of the policy, whichever occurs first. The Shortened Benefit Period Allowance we will pay will be the greater of: (a) one hundred percent (100%) of the sum of all premiums paid for your coverage, excluding any waived premiums; or (b) 30 times your Nursing Home Maximum Daily Benefit in effect at the time of lapse. The Shortened Benefit Period Allowance is reduced by the sum of all benefits previously paid to you. In no event will the total of benefits payable under the policy exceed your Maximum Lifetime Benefit (if you elect the one maximum lifetime benefit policy) or the Confinement Maximum Lifetime Benefit and Home Health Care Maximum Lifetime Benefit (if you elect the two maximum lifetime benefit policy).

### **Contingent Nonforfeiture Benefit**

You will receive coverage under this benefit if you do not elect the Nonforfeiture Benefit–Shortened Benefit Period. If there is an increase in premium rates so that the cumulative amount of all premium rate increases is considered to be a substantial increase in premium rates, as determined by the table shown below, we will do all of the following:

- We will offer to reduce your current level of coverage without evidence of insurability so that the required premium rates for your coverage are not increased.
- We will offer to convert coverage to a paid-up status with a shortened benefit period as described below. This option may be elected at any time during the 120-day period following the date of the premium rate increase.
- We will notify you that a default or lapse at any time during the 120-day period following the date of the premium increase will be deemed to be the election of the preceding offer to convert. A default or lapse is your failure to pay the required premiums within the grace period.

### ***Shortened Benefit Period***

We will continue to pay benefits, subject to all of the terms and conditions of the policy, until the Shortened Benefit Period Allowance has been reached or when you no longer meet the Eligibility for the Payment of Benefits requirements of the policy, whichever occurs first. The Shortened Benefit Period Allowance we will pay will be the greater of: (a) one hundred percent (100%) of the sum of all premiums paid for your coverage under the policy, excluding any waived premiums; or (b) 30 times your Nursing Home Maximum Daily Benefit in effect at the time of lapse. The Shortened Benefit Period Allowance is reduced by the sum of all benefits previously paid to you. In no event will the total of benefits payable under the policy exceed your Maximum Lifetime Benefit (if you elect the one maximum lifetime benefit policy) or the Confinement Maximum Lifetime Benefit and Home Health Care Maximum Lifetime Benefit (if you elect the two maximum lifetime benefit policy).

Please refer to the chart below to determine whether or not a change in premiums constitutes a Substantial Premium Increase. Cumulative premium increases over original premium that will allow Contingent Nonforfeiture Benefit to be initiated appear in the chart. (Percentage increase is cumulative from date of original issue. It does NOT represent a one-time increase.)

### **Triggers for a Substantial Premium Increase**

Issue Age	% Increase Over Initial Annual Premium	Issue Age	% Increase Over Initial Annual Premium	Issue Age	% Increase Over Initial Annual Premium
[29 and under	200%	66	48%	79	22%
30-34	190%	67	46%	80	20%
35-39	170%	68	44%	81	19%
40-44	150%	69	42%	82	18%
45-49	130%	70	40%	83	17%
50-54	110%	71	38%	84	16%
55-59	90%	72	36%	85	15%
60	70%	73	34%	86	14%
61	66%	74	32%	87	13%
62	62%	75	30%	88	12%
63	58%	76	28%	89	11%
64	54%	77	26%	90 and over	10% ]
65	50%	78	24%		

### **ELIGIBILITY FOR THE PAYMENT OF BENEFITS (FOR TAX QUALIFIED POLICY)**

For you to be eligible for benefits provided by the policy, we must verify that you are Chronically Ill and that you have been certified as Chronically Ill within the past 12 months by a Licensed Health Care Practitioner. In addition:

- You must also satisfy the Elimination Period;
- The service must be covered under the policy and be provided pursuant to a written Plan of Care;
- You must not have exhausted any daily, monthly, annual or lifetime limits on the specific benefits claimed; and
- The service, cost or item for which benefits are payable must constitute Qualified Long-term Care Services.

### **ELIGIBILITY FOR THE PAYMENT OF BENEFITS (FOR NON-TAX QUALIFIED POLICY)**

For you to be eligible for benefits provided by the policy, we must verify that you meet the Qualifying for Benefits criteria. In addition:

- You must also satisfy the Elimination Period;
- The service must be covered under the policy and be provided pursuant to a written Plan of Care; and
- You must not have exhausted any daily, monthly, annual or lifetime limits on the specific benefits claimed.

## **10. EXCLUSIONS AND LIMITATIONS**

With respect to reimbursement benefits, the policy will not pay any expenses incurred for room and board, care, treatment, services, equipment, or other items as listed below. With respect to indemnity benefits, the policy will not pay for room and board, care, treatment, services, equipment, or other items as listed below.

1. care or services provided by a Family Member unless:
  - a) he or she is a regular employee of an organization which is providing the treatment, service or care; and
  - b) the organization receives the payment for the treatment, service or care; and
  - c) he or she receives no compensation other than the normal compensation for employees in his or her job category; or
  - d) such care or services are received under the Informal Caregiver for Homemaker Services Benefit; or
2. care or services for which no charge is made in the absence of insurance; or
3. care or services provided outside the United States of America, Canada or the United Kingdom except as provided for under the International Travel Benefit; or
4. care or services that result from war or act of war, whether declared or undeclared; or
5. care or services that result from suicide (while sane or insane), an attempt at suicide or an intentionally self-inflicted injury; or
6. care or services for alcoholism or drug addiction (except for an addiction to a prescription medication when administered in accordance with the advice of your Physician); or
7. treatment provided in a government facility (unless otherwise required by law) except a Veteran's Administration facility; services for which benefits are available under Medicare or other governmental program (except Medicaid), any state or federal workers' compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law; or
8. services received while the policy is not in force, except as provided in the Extension of Benefits section.

### **Non-Duplication With Veteran's Administration Benefits**

We will pay the difference between your actual expenses incurred in a Veteran's Administration facility and the benefits payable for covered expenses you incur or covered services you receive that are provided by or in the Veteran's Administration facility. Our payment will not exceed the amount we would have paid in the absence of any Veteran's Administration benefits.

### **Coordination With Medicare**

If you choose the tax-qualified plan, we will not pay expenses incurred for services or items to the extent that such expenses are reimbursable under Title XVIII of the Social Security Act (Medicare) or would be so reimbursable for the application of a deductible or coinsurance amount.

**THIS POLICY MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG-TERM CARE NEEDS.**

## **11. RELATIONSHIP OF COST OF CARE AND BENEFITS**

Because the costs of long-term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted. You may elect one of the inflation protection options to increase your coverage. Only increases taken in accordance with one of the inflation protection options do not require proof of insurability.

### **5% Compound Inflation Protection**

If you elect the optional 5% Compound Inflation Protection Benefit, we will increase each maximum daily benefit and the remaining amount of each maximum lifetime benefit shown in the Coverage Selection area of the policy you elect (one maximum lifetime benefit or two maximum lifetime benefits), by 5% compounded annually, as long as the benefit and your policy remain in force. The increase will be effective on each anniversary of the benefit even if you are receiving benefits.

### **[3% Compound Inflation Protection**

If you elect the optional 3% Compound Inflation Protection Benefit, we will increase each maximum daily benefit and the remaining amount of each maximum lifetime benefit shown in the Coverage Selection area of the policy you elect (one maximum lifetime benefit or two maximum lifetime benefits), by 3% compounded annually, as long as the benefit and your policy remain in force. The increase will be effective on each anniversary of the benefit even if you are receiving benefits.]

### **[4% Compound Inflation Protection**

If you elect the optional 4% Compound Inflation Protection Benefit, we will increase each maximum daily benefit and the remaining amount of each maximum lifetime benefit shown in the Coverage Selection area of the policy you elect (one maximum lifetime benefit or two maximum lifetime benefits), by 4% compounded annually, as long as the benefit and your policy remain in force. The increase will be effective on each anniversary of the benefit even if you are receiving benefits.]

### **[5% Compound Inflation Protection – 10 Year**

If you elect the optional 5% Compound Inflation Protection-10 Year Benefit, we will increase each maximum daily benefit and the remaining amount of each maximum lifetime benefit shown in the Coverage Selection area of the policy you elect (one maximum lifetime benefit or two maximum lifetime benefit), by 5% compounded annually through the 10<sup>th</sup> anniversary date of the benefit, as long as the benefit and your policy remain in force. The increase will be effective on each anniversary of the benefit through the 10<sup>th</sup> anniversary date of the benefit even if you are receiving benefits.]

### **[5% Compound Inflation Protection – 20 Year**

If you elect the optional 5% Compound Inflation Protection-20 Year Benefit, we will increase each maximum daily benefit and the remaining amount of each maximum lifetime benefit shown in the Coverage Selection area of the policy you elect (one maximum lifetime benefit or two maximum lifetime benefits), by 5% compounded annually through the 20<sup>th</sup> anniversary date of the benefit, as long as the benefit and your policy remain in force. The increase will be effective on each anniversary of the benefit through the 20<sup>th</sup> anniversary date of the benefit even if you are receiving benefits.]

### **[3% Step-Rated Compound Inflation Protection**

If you elect the optional 3% Compound Inflation Protection Benefit, we will increase each maximum daily benefit and the remaining amount of each maximum lifetime benefit shown in the Coverage Selection area of the policy you elect (one maximum lifetime benefit or two maximum lifetime benefits), by 3% compounded annually, as long as the benefit and your policy remain in force. The increase will be effective on each anniversary of the benefit even if you are receiving benefits. Your premium will be increased annually on the anniversary of the benefit as long as this benefit is in force.]

### **[4% Step-Rated Compound Inflation Protection**

If you elect the optional 4% Compound Inflation Protection Benefit, we will increase each maximum daily benefit and the remaining amount of each maximum lifetime benefit shown in the Coverage Selection area of the policy you elect (one maximum lifetime benefit or two maximum lifetime benefits), by 4% compounded annually, as long as the benefit and your policy remain in force. The increase will be effective on each anniversary of the benefit even if you are receiving benefits. Your premium will be increased annually on the anniversary of the benefit as long as this benefit is in force.]

### **[5% Step-Rated Compound Inflation Protection**

If you elect the optional 5% Compound Inflation Protection Benefit, we will increase each maximum daily benefit and the remaining amount of each maximum lifetime benefit shown in the Coverage Selection area of the policy you elect (one maximum lifetime benefit or two maximum lifetime benefits), by 5% compounded annually, as long as the benefit and your policy remain in force. The increase will be effective on each anniversary of the benefit even if you are receiving benefits. Your premium will be increased annually on the anniversary of the benefit as long as this benefit is in force.]

### **[5% Simple Inflation Protection**

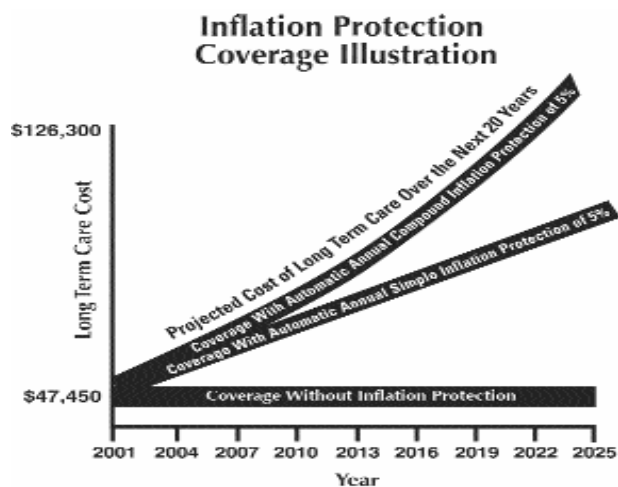
If you elect the optional 5% Simple Inflation Protection Benefit, we will increase each original maximum daily benefit and the lesser of the initial amount of or the unused balance remaining in each maximum lifetime benefit shown in the Coverage Selection area of the policy you elect (one maximum lifetime benefit or two maximum lifetime benefits), by 5% as long as the benefit and your policy remain in force. The increase will be effective on each anniversary of the effective date of the benefit even if you are receiving benefits.

### **Guaranteed Purchase Option**

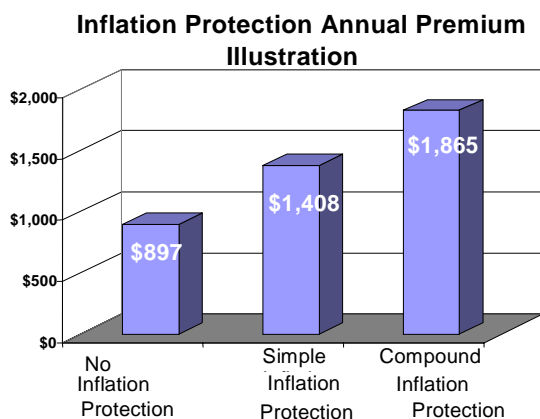
If you elect this option, you will periodically be offered the option to increase the original amount of each maximum daily benefit and the remaining amount of each maximum lifetime benefit shown in the Coverage Selection area of the policy you elect (one maximum lifetime benefit or two maximum lifetime benefits). An offer will be made beginning on the second anniversary of the original policy effective date, or until the first policy anniversary date coinciding with or next following your 80<sup>th</sup> birthday, whichever occurs first, as long as your coverage remains in force, you have not refused two consecutive offers and you are not receiving benefits under the policy. If the 2<sup>nd</sup> anniversary of the original policy effective date coincides with or follows your 80<sup>th</sup> birthday, you will receive only one offer to increase your maximum daily benefits. Each offer to increase the maximum daily benefits will be 10% of the original maximum daily benefits you

elected when your policy was issued. Amounts greater than or less than 10% may not be purchased under this option. Additional premium will be required for each increase in coverage, and such premium will be based on your age and premium rate as of the effective date of the offer.

### **Inflation Protection – Graphic Comparisons**



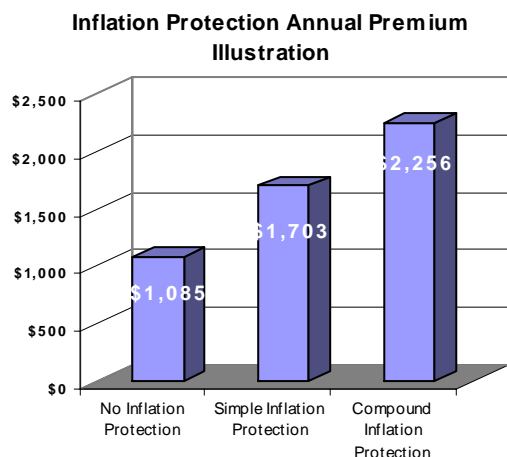
This chart compares and contrasts the anticipated cost for one year of institutional care over a 25-year period with the maximum lifetime benefit for three types of coverage: one with 5% compound inflation protection; one with 5% simple inflation protection; and one with no inflation protection at all. The chart assumes that the insured starts with \$47,450 in coverage.



#### **One maximum lifetime benefit policies:**

The chart to the left compares the annual premium paid by a 63-year old for a tax qualified policy with 5% compound inflation protection; 5% simple inflation protection; and no inflation protection, assuming the following coverage features:

- a Maximum Lifetime Benefit (MLB) of 1,095 times the Nursing Home MDB;
- a \$70 Nursing Home MDB;
- a Home Health Care MDB of \$70;
- and an Elimination Period of 0 days.



**Two maximum lifetime benefits policies:** The chart to the left compares the annual premium paid by a 63-year old for a tax qualified policy with 5% compound inflation protection; 5% simple inflation protection; and no inflation protection, assuming the following coverage features:

- a Confinement MLB of 1,095 times the Nursing Home MDB;
- a Home Health Care MLB of 1,095 times the HHC MDB;
- a \$70 Nursing Home MDB;
- a Home Health Care MDB of \$70;
- and an Elimination Period of 0 days.

## 12. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS

Once your application for coverage under the policy is approved, the policy provides coverage for treatment of Alzheimer's disease, Parkinson's disease, senile dementia, and all other forms of organic brain disease.

## 13. PREMIUM

Refer to the table below to find the annual premium.

PREMIUM	
<b>Premium Payment Mode</b> (Adjustment Factor)	
∂ Annual (1.0)	∂ Semi-Annual (.52)
∂ Quarterly (.265)	∂ Monthly Electronic Funds Transfer (.09)
Basic Policy Coverage Premium: \$ [XXX.XX]	
Nonforfeiture Benefit – Shortened Benefit Period: \$ [XXX.XX]	
[3% Compound Inflation Protection Benefit: \$ XXX.XX ]	
[4% Compound Inflation Protection Benefit: \$ XXX.XX ]	
5% Compound Inflation Protection: \$ [XXX.XX]	
[3% Step Rated Compound Inflation Protection Benefit: \$ XXX.XX ]	
[4% Step Rated Compound Inflation Protection Benefit: \$ XXX.XX ]	
[5% Step Rated Compound Inflation Protection Benefit: \$ XXX.XX ]	
[5% Compound Inflation Protection – 20 Year: \$ XXX.XX]	
[5% Compound Inflation Protection – 10 Year: \$ XXX.XX ]	
[5% Simple Inflation Protection: \$ XXX.XX]	
Guaranteed Purchase Option: \$ [XXX.XX]	
[Monthly Home Health Care Benefit: \$ XXX.XX]	
Spouse Benefit – [60%]: \$ [XXX.XX]	
Spouse Waiver of Premium and Survivorship Benefit: \$ [XXX.XX]	
Limited Pay - 10 Pay Option: \$ [XXX.XX]	
[Limited Pay - 20 Pay Option: \$ XXX.XX ]	
[Limited Pay - Paid Up at 65 Option: \$ XXX.XX]	
[Nursing Home Indemnity Benefit: \$ XXX.XX]	
[Nursing Home/Assisted Living Facility Indemnity Benefit: \$ XXX.XX ]	
[Nursing Home/Assisted Living Facility/Home Health Care Indemnity Benefit: \$ XXX.XX ]	
[Waiver of Elimination Period for Home Health Care Benefit: \$ XXX.XX]	
[Restoration of Benefits: \$ XXX.XX ] ]	
<b>Total Annual Premium:</b> \$ [XXX.XX]	
<b>Modal Premium:</b> \$ [XXX.XX]	
<i>(Annual X Mode Factor)</i>	

## 14. ADDITIONAL FEATURES

### **Underwriting**

Medical underwriting is required. We will underwrite your application by reviewing one or more of the following: the information submitted on your application; an attending Physician's report; copies of your medical records; a medical evaluation; a telephone interview; and an in-person interview.

### **Extension of Benefits**

If your policy terminates due to failure to pay premium while you are confined in a Nursing Home, an Assisted Living Facility, or a Hospice Care Facility, benefits will be paid in the same manner as if your policy was in force. Extension of Benefits stops on the earlier of the date when you no longer meet the Eligibility for the Payment of Benefits requirements; the date you are no longer confined in a Nursing Home, an Assisted Living Facility or a Hospice Care Facility; or the date your maximum lifetime benefit(s) are reached.

### **Added Protection Against Lapse**

If your coverage terminates due to non-payment of premiums because you were Chronically Ill, your coverage will be reinstated if we receive proof from a Licensed Health Care Practitioner (or other proof approved by us) that you were Chronically Ill. If you choose the non-tax qualified plan and your coverage terminates due to non-payment of premiums because you met the Qualifying for Benefits criteria, your coverage will be reinstated if we receive proof from a Licensed Health Care Practitioner (or other proof approved by us) that you met the Qualifying for Benefits criteria.

We must receive such proof and you must pay all past due premiums for the coverage that was in force within five (5) months after termination of your policy.

## **15. CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU HAVE GENERAL QUESTIONS REGARDING LONG-TERM CARE INSURANCE. CONTACT THE INSURANCE COMPANY IF YOU HAVE SPECIFIC QUESTIONS REGARDING YOUR LONG-TERM CARE INSURANCE POLICY.**

## **DEFINITIONS**

**Activities of Daily Living** means the following self-care functions:

**Bathing:** Washing oneself by sponge bath; or in either a tub or shower, including the task of getting into or out of the tub or shower.

**Dressing:** Putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.

**Toileting:** Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.

**Transferring:** Moving into or out of a bed, chair or wheelchair.

**Continence:** The ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag.)

**Eating:** Feeding oneself by getting food into the body from a receptacle (such as a plate, cup, or table) or by a feeding tube or intravenously.

**Adult Day Care** means a program for six or more individuals of social and health-related services provided during the day in a community group setting for the purpose of supporting frail, impaired elderly or other disabled adults who can benefit from care in a group setting outside the Home.

**Adult Day Care Center** means a facility that is licensed or certified to provide a planned program of adult day care services by the state in which it operates. If the state does not license or certify such facilities, then it must be operated pursuant to law and meet certain standards.

**Assisted Living Facility** means a facility that is licensed or certified and engages primarily in providing ongoing care in one location. The facility must have an employee on-site 24 hours a day and provide care and services sufficient to support needs resulting from inability to perform Activities of Daily Living or Severe Cognitive Impairment. If the state does not license or certify such facilities, then it must be operated pursuant to law and meet certain standards.

**Care Coordination Services Provider** means an agency, entity or person that provides care coordination and meets certain standards that pertain to staffing requirements, quality assurance, agency functions, and reporting and records maintenance requirements.

**Care Coordinator** means a Licensed Health Care Practitioner employed by or under contract to a Care Coordination Services Provider who is qualified by training and experience to assess and coordinate the overall care needs of a person who is Chronically Ill. If you choose the non-tax qualified plan, Care Coordinator means a nurse or licensed social worker employed by or under contract to a Care Coordination Services Provider who is qualified by training and experience to assess and coordinate the overall care needs of a person who meets the Qualifying for Benefits criteria. . You are not required to use the Care Coordinator designated by us. You may choose to use your own Care Coordinator.

**Chronically Ill** as used for tax-qualified plans only, means that you have been certified by a Licensed Health Care Practitioner as: a) being unable to perform, without Substantial Assistance from another person, at least two Activities of Daily Living for a period that is expected to last at least 90 consecutive days due to a loss of functional capacity, or b) requiring Substantial Supervision to protect yourself from threats to health and safety due to a Severe Cognitive Impairment.

**Durable Medical Equipment** means equipment included in your Plan of Care which: is functionally necessary and not just for your convenience; is designed for repeated and prolonged use; is suited for use in the Home; and can enhance your ability to perform Activities of Daily Living.

Infusion pumps, special hospital-style beds, walkers, or wheelchairs are examples of types of equipment that may be considered Durable Medical Equipment. Durable Medical Equipment does not include any drug, medicine or equipment implanted in your body, temporarily or permanently. Also not included is any Home Modification, motorized scooter, or sporting, protective, athletic or exercise equipment.

**Elimination Period** means the total number of days that you remain Chronically Ill and incur covered expenses or receive covered services before benefits are payable. If you choose the non-tax qualified plan, it means the total number of days that you must meet the Qualifying for Benefits criteria and incur covered expenses or receive covered services before benefits are payable. The Elimination Period begins on the first day that you are Chronically Ill (for tax qualified plans) or meet the Qualifying for Benefits criteria (for non-tax qualified plans) and incur covered expenses or receive covered services. Each day on which you remain Chronically Ill (for tax qualified plans) or meet the Qualifying for Benefits criteria (for non-tax qualified plans) and incur covered expenses or receive covered services will count toward the Elimination Period. The days do not have to be consecutive. The number of days may be accumulated before the filing of a claim if we can establish that you met these requirements before the filing of a claim. As indicated in the Coverage Selections area, if you elected the two maximum lifetime benefits policy you may elect different Elimination Periods for different benefits. However, any day that counts towards satisfying one Elimination Period also counts towards satisfying the other Elimination Period. The Elimination Period need only be met once during your lifetime. If your coverage includes the Waiver of Elimination Period for Home Health

Care Benefits, no days on which you are Chronically Ill (for tax qualified plans) or meet the Qualifying for Benefits criteria (for non-tax qualified plans) and incur covered expenses or receive covered services for Home Health Care will count towards satisfying the Elimination Period.

Note, the Elimination Period applies to all policy benefits, except: the Respite Care Benefit; the Hospice Care Benefit; the Caregiver Training Benefit; the Durable Medical Equipment Benefit; the Home Modification Benefit; the Medical Alert System Benefit; and the Care Coordination Services.

**Family Member** means your spouse and anyone who is related to you or your spouse (including adopted, in-law and step-relatives) as a parent, grandparent, child, grandchild, brother, sister, aunt, uncle, first cousin, nephew or niece.

**Home** means the place where you maintain independent residence. Home does not mean: a Nursing Home; a hospital; an Assisted Living Facility; any other institutional setting where you are dependent on others for assistance with Activities of Daily Living; or the residence of the person providing the Homemaker Services or Home Health Care.

**Home Health Care** means part-time or intermittent skilled services provided by a nurse; to support your compliance with your medication/treatment regimen; home health aide services; physical therapy, respiratory therapy, occupational therapy or speech therapy. These services must be provided in your Home by a Home Health Agency.

**Home Health Care Agency** means an entity that is regularly engaged in providing Home Health Care services, Maintenance or Personal Care Services and Homemaker Services for compensation and employs staff who are qualified by training or experience to provide such care. The entity must: be supervised by a qualified professional such as a Registered Nurse (RN), a licensed social worker, or a Physician; keep clinical records or care plans on all patients; provide ongoing supervision and training to its employees appropriate to the services to be provided; and have the appropriate state licensure, accreditation or certification, where required.

**Homemaker Services** means the following services which you receive from a paid eligible provider to the extent that they constitute Maintenance or Personal Care Services: laundry services; routine food shopping and errands; meal preparation and cleanup; and domestic or cleaning services.

**Hospice Care** means services designed to provide palliative care and alleviate your physical, emotional and social discomforts if you are terminally ill and in the last phases of life.

**Licensed Health Care Practitioner** means any of the following who is not a Family Member: a Physician (as defined in Section 1861(r)(1) of the Social Security Act); a registered professional nurse; a licensed social worker; or any other individual who meets such requirements as may be prescribed by the Secretary of the Treasury of the United States.

**Maintenance or Personal Care Services** means any care the primary purpose of which is the provision of needed assistance with helping you conduct your Activities of Daily Living while you are Chronically Ill (for tax-qualified plans) or while you meet the Qualifying for Benefits criteria (for non-tax qualified plans). This includes protection from threats to health and safety due to Severe Cognitive Impairment.

**Medical Alert System** means a communication system installed in your Home that is used solely for the purpose of calling for assistance in the event of a medical emergency. A Medical Alert System does not

include charges for a normal telephone service, or for a home security system, or any other similar service or device.

**Medical Necessity** as used for non-tax qualified policies, means medical services that are: provided in accordance with accepted standards of medical practice; provided as required by the patient's medical condition; not provided solely for the patient's or Physician's convenience; and approved by the Care Coordinator under a Plan of Care.

**Nursing Home** means a facility or distinctly separate part of a hospital or other institution that is engaged primarily in providing nursing care to inpatients under a planned program supervised by a Physician and, where required, has the appropriate state licensure, certification or registration as a Nursing Home. It also must meet all of the following requirements:

- provides twenty-four (24) hour-a-day nursing care by a Nurse under the supervision of a Registered Nurse (R.N.) or a Physician;
- maintains a daily medical record of each inpatient; and
- provides nursing care at skilled, intermediate, or custodial levels.

Nursing Home includes a Veteran's Administration facility and an Alzheimer's Facility.

A Nursing Home does not include: a hospital or clinic; a place which operates primarily for the treatment of alcoholism, drug addiction, or Mental or Nervous Disorders; an Assisted Living Facility; an adult residential care home; a domiciliary care facility; or Your primary place of residence in an area used principally for independent residential living; or a similar establishment. If a facility has multiple licenses, a portion, wing, ward, or unit will qualify as a Nursing Home only if it: meets all of the above criteria; is authorized to provide nursing care to inpatients; and is engaged principally in providing such nursing care in accordance with that license.

**Physician** means a doctor of medicine or osteopathy legally authorized to practice medicine and surgery by the state in which he or she performs such function or action (as defined in Section 1861 (r) (1) of the Social Security Act) other than you or a Family Member. He or she must be providing services within the scope of his or her license. Physician does not include: you; a Family Member; anyone who normally resides in your Home; or anyone who has a financial interest in, or is an employee of, a facility, agency, or center administering the Plan of Care.

**Plan of Care** means a written individualized plan of services approved by us and prescribed by a Licensed Health Care Practitioner. The Plan of Care specifies your long-term care needs and the type, frequency, and providers of the services appropriate to meet those needs and the costs, if any, of those services. The Plan of Care will be modified as required to reflect changes in: your functional or cognitive abilities; your social situation; and your care service needs.

**Qualification Free Period** as used for tax-qualified plans only, means a period of 180 consecutive days during which a Licensed Health Care Practitioner certifies, that you meet the following: you are able to perform, without Substantial Assistance from another individual, all Activities of Daily Living; and you do not require Substantial Supervision by another person to protect yourself from threats to health and safety due to Severe Cognitive Impairment; and you have been informed by your Physician or Licensed Health Care Practitioner that you no longer require, and have not been advised to receive, and are not receiving, services that would otherwise have been covered by the policy.

**Qualification Free Period** as used for non-tax qualified plans only, means a period of 180 consecutive days during which a Licensed Health Care Practitioner certifies, that you meet the following: you are able to

perform, without Substantial Assistance from another individual, all Activities of Daily Living; and you do not require Substantial Supervision by another person to protect yourself from threats to health and safety due to Severe Cognitive Impairment; and you have been informed by your Physician or Licensed Health Care Practitioner that you no longer require, and have not been advised to receive, and are not receiving, services that would otherwise have been covered by the policy. In addition, your Physician or the Licensed Health Care Practitioner must certify that no care or services are necessary for you due to Medical Necessity.

**Qualified Long-term Care Services** as used for tax-qualified plans only, means necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services and Maintenance or Personal Care Services which are required by a Chronically Ill individual and are provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

**Qualifying for Benefits Criteria** as used for non-tax qualified policies only, means you are unable to perform (without Substantial Assistance from another individual) at least two Activities of Daily Living due to a loss of functional capacity; or you require Substantial Supervision to protect yourself from threats to health and safety due to a Severe Cognitive Impairment; or you have a Medical Necessity as verified by your Care Coordinator and approved by us.

**Severe Cognitive Impairment** means a loss or deterioration in intellectual capacity that is comparable to (and includes) Alzheimer's disease and similar forms of irreversible dementia; and is measured by clinical evidence and standardized tests that reliably measure impairment in your: short-term or long-term memory; orientation as to people, places or time; and deductive or abstract reasoning.

**Spouse** means the person you are legally married to [or a Domestic Partner].

**Substantial Assistance** means either Hands-on Assistance or Standby Assistance.

Hands-on Assistance is the physical assistance of another person without which you would be unable to perform the Activities of Daily Living.

Standby Assistance means the presence of another person, within your arm's reach, that is necessary to prevent, by physical intervention, your injury while you are performing the Activity of Daily Living.

**Substantial Supervision** means continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person that is necessary to protect you from threats to your health or safety (including, but not limited to, such threats as may result from wandering.)

## LONG-TERM CARE INSURANCE - OUTLINE OF COVERAGE

For Policy Form Series LTC04I7

Tax Qualified

Name of Applicant: John A. Doe Date of Application: 6-02-06

**NOTICE TO BUYER:** The policy may not cover all of the costs associated with long-term care incurred by the buyer during the period of coverage. The buyer is advised to review carefully all policy limitations.

**CAUTION:** The issuance of the long-term care insurance policy is based upon the responses to questions on your application. A copy of your application will be attached to your policy if one is issued to you. If your answers are incorrect or untrue, we have the right to deny benefits or rescind the policy. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your answers are incorrect, contact us at this address: Mutual of Omaha Insurance Company, [Long Term Care Service Office, P. O. Box 64901, St. Paul, MN 55164-0901].

### 1. POLICY DESIGNATION

This is an individual policy of insurance to be issued in the state of Arkansas.

### 2. PURPOSE OF THE OUTLINE OF COVERAGE

This outline of coverage provides a very brief description of the important features of the policy. You should compare this outline of coverage to outlines of coverage for other policies available to you. This is not an insurance contract, but only a summary of coverage. Only the individual or group policy contains governing contractual provisions. This means that the individual or group policy sets forth in detail the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you **READ YOUR POLICY (OR CERTIFICATE) CAREFULLY!**

### 3. FEDERAL TAX CONSEQUENCES

The policy is intended to be a federally tax-qualified long-term care insurance contract under Section 7702B (b) of the Internal Revenue Code of 1986 (as amended by the Health Insurance Portability and Accountability Act of 1996 - Public Law 104-191).

### 4. TERMS UNDER WHICH THE POLICY OR CERTIFICATE MAY BE CONTINUED IN FORCE OR DISCONTINUED

#### Renewability

THIS POLICY IS GUARANTEED RENEWABLE. This means you have the right, subject to the terms of the policy, to continue the policy as long as premiums for your coverage are paid on time. Mutual of Omaha Insurance Company cannot change any of the terms of your policy on its own, except that, in the future, WE MAY INCREASE THE PREMIUM YOU PAY.

## **Waiver of Premium**

[After any applicable Elimination Period has been satisfied, we will waive the payment of your premium which becomes due while your policy is in force and you meet the Eligibility for the Payment of Benefits provision requirements. To qualify for the waiver of premium benefit, you must be receiving any of the following benefits: Nursing Home, Assisted Living Facility, or Home Health Care (at least 8 days per month). The Elimination Period must be satisfied before you will qualify for waiver of premium as a result of receiving such benefits. Future premiums must be paid as they become due.]

[After any applicable Elimination Period has been satisfied, we will waive the payment of your premium which becomes due while your policy is in force and you meet the Eligibility for the Payment of Benefits provision requirements. To qualify for the waiver of premium benefit, you must be receiving any of the following benefits: Nursing Home, Assisted Living Facility, Home Health Care (at least 8 days per month) or the Cash Benefit. Although the Elimination Period does not apply to the Cash Benefit, it does apply to these other policy benefits, and must be satisfied before you will qualify for waiver of premium if you switch from the Cash Benefit to any of these other benefits. If you switch from the Cash Benefit (for which the Elimination Period does not apply) to any of these other policy benefits (for which the Elimination Period does apply), the Elimination Period must be satisfied before you will qualify for waiver of premium as a result of receiving such other benefits. Future premiums must be paid as they become due.]

## **5. TERMS UNDER WHICH THE COMPANY MAY CHANGE PREMIUMS**

**Premiums will not increase due to a change in your age or health. We can, however, change premiums based on premium class; but only if we change the premiums for all policies issued to your premium class in your state. Premium class means a population segment classified by our actuaries as having similar characteristics, such as issue age, issue year, form number, rate classification, and selected benefit options or other criteria. Any premium changes will be effective on the next premium due date following our notice to you. [In no event will premium rates increase before the Rate Guarantee Period has expired, unless your benefits increase as a result of automatic or optional Inflation Protection or Guaranteed Purchase Option increases.]**

## **6. TERMS UNDER WHICH THE POLICY MAY BE RETURNED AND PREMIUM REFUNDED**

- a) You may cancel your policy for any reason within 30 days after you receive it. To do so, mail or deliver the policy to either us or to the agent or office through which it was purchased. We will refund the full amount of any premium paid within 30 days of such a policy return; and the policy will be considered never to have been issued.
- b) The policy contains a provision for the return of unearned premium in the event of termination due to death. It also provides for the return of unearned premium upon surrender or cancellation of the policy.

[The optional Return of Premium (Less Claims Paid) if Death Occurs Before Age 70 Benefit provides for a refund of premiums if your death occurs before age 70. If the company receives proof of your death which occurs before you reach Age 70 and while your coverage was in force, we will return without interest all premiums paid for the policy (minus all benefits paid under the policy).]

## **7. THIS IS NOT MEDICARE SUPPLEMENT COVERAGE**

If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from Mutual of Omaha Insurance Company. Neither Mutual of Omaha Insurance Company nor its agents represent Medicare, the federal government, or any state government.

## **8. LONG-TERM CARE COVERAGE**

Policies of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a

setting other than an acute care unit of a hospital, such as in a Nursing Home, in the community, or in the Home. This policy reimburses you for expenses you incur for covered long-term care expenses.

## **9. BENEFITS PROVIDED BY THE POLICY – BENEFIT ELIGIBILITY**

### **Benefits**

Benefits are available up to the daily, monthly, annual, and lifetime maximum until the applicable maximum lifetime benefit you selected is exhausted. You may select your level of coverage and coverage features from the options listed in the following table.

## COVERAGE SELECTION

### Maximum Lifetime Benefit

#### Maximum Lifetime Benefit

- ☐ [Unlimited]
- ☐ [2920 X NH MDB (8 Years)]
- ☐ [2190 X NH MDB (6 Years)]
- ☐ [1825 X NH MDB (5 Years)]
- ☐ [1460 X NH MDB (4 Years)]
- ☐ [1095 X NH MDB (3 Years)]
- ☐ [730 X NH MDB (2 Years)]

#### Nursing Home Maximum Daily Benefit (NH MDB)

\$ [XXX.XX]

#### ☐ [Home Health Care Maximum Daily Benefit

\$ [XXX.XX]

Up to ☐ 50% ☐ 100% ☐ 150% of NH MDB]

#### ☐ [Basic Home Health Care

\$ [XXX.XX]

Up to ☐ 50% ☐ 100% ☐ 150% of NH MDB

#### Professional Home Health Care

[Up to 2 X Basic HHC MDB each day]

#### [Assisted Living Facility

#### Maximum Daily Benefit

\$ [XXX.XX]

Up to ☐ 50% ☐ 60% ☐ 70%

☐ 75% ☐ 80%

☐ 100% of NH MDB]

#### Elimination Period

- ☐ [0 Days] ☐ [15 Days]
- ☐ [20 Days] ☐ [30 Days]
- ☐ [60 Days] ☐ [90 Days]
- ☐ [100 Days] ☐ [180 Days]
- ☐ [365 Days]
- ☐ [Waiver of Elimination Period for Home Health Care Benefit.]

### OPTIONAL BENEFITS

#### Inflation Protection

- ☐ [2.5% Compound Inflation]
- ☐ [3% Compound Inflation]
- ☐ [3.5% Compound Inflation]
- ☐ [4% Compound Inflation]
- ☐ [4.5% Compound Inflation]
- ☐ 5% Compound Inflation
- ☐ [3% Step Rated Compound Inflation]
- ☐ [4% Step Rated Compound Inflation]
- ☐ [5% Step Rated Compound Inflation]
- ☐ [5% Compound Inflation-10 Year]
- ☐ [5% Compound Inflation-20 Year]
- ☐ [5% Simple Inflation]
- ☐ [Guaranteed Purchase Option]
- ☐ [Compound Guaranteed Purchase Option]
- ☐ [None]

#### ☐ Nonforfeiture Benefit - Shortened Benefit Period

☐ [Return of Premium(Less Claims Paid) if Death Occurs Before Age 70 Benefit]

☐ [Restoration of Benefits]

☐ [Additional Benefit for Injury]

☐ [Cash Benefit]

☐ [Rate Guarantee Period \_\_\_\_ Years]

☐ [Spouse Benefit]

☐ [Spouse Shared Benefit]

☐ [Spouse Waiver of Premium and Survivorship Benefit]

☐ [Monthly Home Health Care Benefits]

☐ [Monthly Basic and Professional Home Health Care Benefit]

#### [Limited Pay Options

- ☐ 10 Year Option
- ☐ 20 Year Option
- ☐ Paid Up at 65 Option
- ☐ None]

#### Nursing Home Benefit

We will pay your covered expenses up to the Nursing Home Maximum Daily Benefit for each day you meet the Eligibility for the Payment of Benefits requirements and are confined in a Nursing Home. The Nursing Home Benefit is subject to your Maximum Lifetime Benefit.

### **Nursing Home Bed Reservation Benefit**

If you meet the Eligibility for the Payment of Benefits requirements and are absent for any reason (except discharge) during a Nursing Home confinement, and are charged by the facility to reserve your place there we will continue to pay the Nursing Home Benefit as if you were still confined. This benefit is payable for a maximum of 31 days per calendar year. Any unused days cannot be carried over into the next calendar year. The Nursing Home Bed Reservation Benefit is subject to your Maximum Lifetime Benefit.

### **Nursing Home Ambulance Benefit**

If you meet the Eligibility for the Payment of Benefits requirements and are confined in a Nursing Home, we will pay the actual charges incurred for each trip you take from a Nursing Home to a hospital or from a hospital to a Nursing Home. The Nursing Home Ambulance Benefit is subject to the Nursing Home Ambulance Benefit Trip Maximum (one times your Nursing Home Maximum Daily Benefit) and a Nursing Home Ambulance Maximum Annual Benefit (four times your Nursing Home Maximum Daily Benefit). It is also subject to the Maximum Lifetime Benefit.

### **Assisted Living Facility Benefit**

We will pay your covered expenses up to the Assisted Living Facility Maximum Daily Benefit for each day you meet the Eligibility for the Payment of Benefits requirements and are confined in an Assisted Living Facility. The Assisted Living Facility Benefit is subject to the Maximum Lifetime Benefit.

### **Assisted Living Facility Bed Reservation Benefit**

If you meet the Eligibility for the Payment of Benefits requirements and are absent for any reason (except discharge) during an Assisted Living Facility confinement, and are charged by the facility to reserve your place there we will continue to pay the Assisted Living Facility Benefit as if you were still confined. This benefit is payable for a maximum of 31 days per calendar year. Any unused days cannot be carried over into the next calendar year. The Assisted Living Facility Bed Reservation Benefit is subject to your Maximum Lifetime Benefit.

### **[Home Health Care Benefit]**

[If elected,] the Home Health Care Benefit provides benefits for Home Health Care services, Maintenance or Personal Care Services, Homemaker Services and care in an Adult Day Care Center and fees charged for transportation to and from the Adult Day Care Center. If you meet the Eligibility for the Payment of Benefits requirements, we will pay your covered expenses you incur each day up to the Home Health Care Maximum Daily Benefit. The Home Health Care Benefit is subject to your Maximum Lifetime Benefit.]

### **[Basic and Professional Home Health Care Benefit]**

[If elected,] the Basic Home Health Care Benefit provides benefits for Home Health Care services, Maintenance or Personal Care Services, Homemaker Services and care in an Adult Day Care Center and fees charged for transportation to and from the Adult Day Care Center. The Professional Home Health Care Benefit provides benefits for skilled services. If you meet the Eligibility for the Payment of Benefits requirements, we will pay your covered expenses you incur each day up to the Basic Home Health Care Maximum Daily Benefit or the Professional Home Health Care Maximum Daily Benefit. The Basic and Professional Home Health Care Benefit is subject to your Maximum Lifetime Benefit.]

### **Hospice Care Benefit**

The Hospice Care Benefit covers Hospice Care expenses you incur during your confinement in a Hospice Care Facility, Assisted Living Facility or a Nursing Home for: room and board; ancillary services provided by the Hospice Care Facility, Assisted Living Facility or Nursing Home; and patient supplies provided by the Hospice Care Facility, Assisted Living Facility or Nursing Home for care of their residents. The Hospice Care Benefit also includes covered expenses for Home Health Care. If you meet the Eligibility for

the Payment of Benefits requirements and you are terminally ill (six months or less to live), we will pay expenses you incur up to the applicable maximum daily benefit and maximum lifetime benefit, depending upon where your Hospice Care is received. You are not required to satisfy the Elimination Period before we will pay the Hospice Care Benefits. However, days on which you receive only Hospice Care services will not count toward satisfying the Elimination Period.

### **Respite Care Benefit**

Respite care is temporary care provided to you to allow time off for those persons who ordinarily care for you on a regular unpaid basis. If you meet the Eligibility for the Payment of Benefits requirements, we will pay the covered expenses you incur for Respite Care in a Nursing Home, Assisted Living Facility or your Home. The amount we pay is subject to the Nursing Home Maximum Daily Benefit, regardless of where your care is received. The Respite Care Maximum Annual Benefit of 31 days is payable only once per calendar year. You are not required to satisfy the Elimination Period before we will pay the Respite Care Benefits. However, days on which you receive only Respite Care services will not count toward satisfying the Elimination Period. The Respite Care Benefit is subject to the Maximum Lifetime Benefit.

### **Care Coordination Services**

If you meet the Eligibility for the Payment of Benefits requirements, we will provide you with Care Coordination services from a Care Coordination Services Provider designated by us. If you use a Care Coordinator or Care Coordination Services Provider designated by us, the Care Coordinator will help you identify your specific care needs and the long-term care services and programs in your area which can best meet those needs. These services are advisory only and are provided at no additional cost to you. However, if you choose to use your own Care Coordinator, we will pay only the expenses you incur for your own Care Coordinator to perform an initial assessment and develop a Plan of Care up to a maximum benefit of five times your Nursing Home Maximum Daily Benefit. You are not required to follow the recommendations or use the services or providers identified in the Plan of Care. You are not required to satisfy the Elimination Period in order to receive Care Coordination services. However, days on which you receive only Care Coordination services will not count toward satisfying the Elimination Period. Care Coordination Services will not reduce your maximum lifetime benefit.

### **Caregiver Training Benefit**

If you meet the Eligibility for the Payment of Benefits requirements and Caregiver Training Benefits are recommended in a written Plan of Care and when mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy, we will pay the covered expenses incurred for training a Family Member or friend to provide care for you in your Home. We will not pay for training provided to someone who will be paid to care for you. The training cannot be received when you are confined in a hospital, Assisted Living Facility or Nursing Home, unless it is reasonably expected that the training will make it possible for you to return to your Home where you can be cared for by the person receiving the training. You are not required to satisfy the Elimination Period before we will pay benefits for Caregiver Training. However, days on which you receive only Caregiver Training will not count toward satisfying the Elimination Period. A Caregiver Training Maximum Lifetime Benefit of [15 times the Home Health Care Daily Maximum Benefit] applies to this benefit.

### **Durable Medical Equipment Benefit**

If you meet the Eligibility for the Payment of Benefits requirements, we will pay the expenses you incur for rental or purchase of Durable Medical Equipment when recommended in a written Plan of Care and when mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy. Durable Medical Equipment Benefits may be paid in addition to other benefits for covered care received on the same day. You are not required to satisfy the Elimination Period before we will pay the Durable Medical Equipment Benefit. However, days on which you receive only Durable Medical Equipment

Benefits will not count toward satisfying the Elimination Period. A Durable Medical Equipment Maximum Lifetime Benefit of [30 times the Home Health Care Maximum Daily Benefit] applies to this benefit.

### **Home Modification Benefit**

If you meet the Eligibility for the Payment of Benefits requirements, we will pay the expenses you incur for Home Modification when recommended in a Plan of Care and when mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy. This benefit may not be used solely to increase the value of your Home. You are not required to satisfy the Elimination Period before we will pay the Home Modification Benefit. However, days on which you receive only Home Modification Benefits will not count toward satisfying the Elimination Period. A Home Modification Maximum Lifetime Benefit of [60 times the Home Health Care Maximum Daily Benefit] applies to this benefit.

### **Informal Caregiver Benefits for Homemaker Services**

If you meet the Eligibility for the Payment of Benefits requirements and Informal Caregiver Benefits for Homemaker Services Benefits are recommended in a written Plan of Care and when mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy, we will pay a daily benefit for care you receive from an Informal Caregiver who does not normally reside with you and who is providing you with Maintenance or Personal Care Services. The daily benefit is equal to [30% of the Home Health Care Maximum Daily Benefit]. We will pay this benefit up to the Informal Caregiver Benefit for Homemaker Services Maximum Lifetime Benefit.]

### **Medical Alert System Benefit**

If you meet the Eligibility for the Payment of Benefits requirements, we will pay the expenses you incur for the installation and rental of a Medical Alert System if the use of such system is recommended in a written Plan of Care and is mutually agreeable to you and us as a cost-effective alternative to benefits otherwise provided by the policy. You are not required to satisfy the Elimination Period before we will pay the Medical Alert System Benefit. However, days on which you receive only Medical Alert System Benefits will not count toward satisfying the Elimination Period. The Medical Alert System Benefit is subject to the Medical Alert System Maximum Installation Benefit [(one times the Home Health Care Maximum Daily Benefit)] for the installation of the system and the Medical Alert System Maximum Monthly Benefit [(.5 times the Home Health Care Maximum Daily Benefit)] for the monthly operation of the system up to the Medical Alert System Maximum Lifetime Benefit [(30 times the Home Health Care Maximum Daily Benefit)].

### **Alternate Care Benefit**

You must meet the Eligibility for the Payment of Benefits requirements in order to be eligible to receive the Alternate Care Benefit. We reserve the right to authorize alternate services or special treatments, devices or types of care, consistent with generally accepted medical practices, in a written alternate Plan of Care for which no benefits are otherwise payable under the policy. This includes new types of Qualified Long-Term Care Services that may be developed at some future time. You or your representative, your Physician (if appropriate) and we must all agree that the alternate services or special treatments, devices or types of care are alternate forms of treatment appropriate to meet your needs and are determined to be a cost-saving alternative.

### **International Benefit**

If you meet the Eligibility for the Payment of Benefits requirements while you are traveling outside the United States, its possessions or territories, Canada and the United Kingdom, we will pay you a cash indemnity benefit for covered services according to the terms of the policy. This payment will be paid in place of any other benefit for which you may qualify. We will pay the Nursing Home Maximum Daily

Benefit for each day you are eligible to receive the International Benefit, for a period not to exceed the maximum lifetime benefit of [365] days. All benefit payments made will be in U.S. dollars.

## **OPTIONAL BENEFITS**

You may elect any of the following options to expand the benefits under the policy:

### **[Additional Benefit for Injury]**

If you [elect this option and] meet the Eligibility for the Payment of Benefits requirements, we will pay an Additional Benefit for Injury when the Covered Expenses for your Injury exceed the benefits payable under the Nursing Home Benefit, Assisted Living Facility Benefit or Home Health Care Benefit provisions. The combination of other policy benefits with the Additional Benefit for Injury will never exceed the actual Covered Expenses incurred.]

### **[Cash Benefit]**

If you [elect this option and] meet the Eligibility for the Payment of Benefits requirements, we will pay the monthly Cash Benefit shown in the policy in advance for each calendar month you choose to receive this benefit. The Cash Benefit is a benefit you may choose to receive in place of any other benefit you qualify for under your policy. However, the Cash Benefit is not payable while benefits are being paid under any other policy provision. The Cash Benefit will be paid in advance on a monthly basis at the beginning of each calendar month. When less than one month of benefits is due because we have determined your eligibility began or ended on a day other than the beginning of the month, a pro rata benefit will be paid for that month. We will not pay the Cash Benefit for any period of time prior to the date we determine your eligibility for this benefit began or after the date we determine your eligibility ended. We reserve the right to require a new Plan of Care at least once every 90 days.]

### **[Restoration of Benefits]**

Following a period during which we had been paying benefits, we will restore your remaining Maximum Lifetime Benefit to the most recent level before you received benefits if you meet a Qualification Free Period. If all of the conditions of the Qualification Free Period are met, the maximum lifetime benefit will be restored on the 181st day after the last date you incur covered expenses or receive covered services. Your maximum lifetime benefit may be restored an unlimited number of times, as long as the Qualification Free Period is met each time. The restored amount will not exceed the maximum lifetime benefit payable. The maximum lifetime benefit is the only benefit limit to be restored. No Restoration of Benefits will be available if your maximum lifetime benefit has been reduced to zero.]

### **[Spouse Benefit]**

If you are receiving benefits, we will pay you an additional cash benefit. The additional benefit that we will pay is the spouse benefit percentage [(60%)] multiplied by the daily or, if applicable, monthly benefit we pay you for covered expenses you incur. Benefits paid under this provision will not reduce the maximum lifetime benefit.]

### **[Spouse Waiver of Premium and Survivorship Benefit]**

If both you and your spouse are covered under Mutual of Omaha Long-Term Care Insurance policy series LTC04I7 and each of you has elected this coverage option you are eligible for the following benefits:  
*Spouse Waiver Of Premium:* We will waive the payment of your premium after your spouse qualifies for the Waiver of Premium Benefit. We will credit the pro-rata amount of premium paid for future periods after the premium waiver begins. Your premium will be waived for as long as your spouse's premium continues to be waived and both policies are in force. Once your Spouse's Waiver of Premium ends, you must pay future premiums for your policy as they become due. The premium for any benefit added or increased on

your policy while your policy's premiums are being waived under this provision must be paid for as long as the Qualification Period shown in your policy before such premium will be eligible for waiver of premium under this provision.

**Survivorship Benefit:** This benefit is applicable only if both you and your spouse are covered under Form LTC04I7 Long-Term Care Insurance Policies with this benefit, and you and your spouse are living on the date the Survivorship Benefit has been in force for the length of the Qualification Period shown in your policy, and both policies are in force. If your spouse dies on or after the date the Survivorship Benefit has been in force for the length of the Qualification Period shown in your policy, your policy will become paid up effective on its next Policy Renewal Date and will continue in force without further premium payments for the rest of your lifetime. The premium for any benefit added or increased after the death of your spouse will not be paid up.]

#### **[Spouse Shared Benefit**

If both you and your spouse are covered under Mutual of Omaha Long-Term Care Insurance policy series LTC04I7 and each of you has elected this coverage option you are eligible for the following benefits: you will be eligible to access benefits under your spouse's policy after the Maximum Lifetime Benefit under your policy has been paid; and your spouse will be eligible to access benefits under your Policy after the Maximum Lifetime Benefit under your spouse's policy has been paid. Your policy's Maximum Lifetime Benefit can never be reduced by your spouse below a dollar amount equal to 365 days times your Nursing Home Maximum Daily Benefit.]

#### **[Monthly Home Health Care Benefit**

If you elect this option and meet the Eligibility for the Payment of Benefits requirements, we will pay the covered expenses you incur for Home Health Care during a calendar month up to the Monthly Home Health Care Benefit. The monthly maximum is 31 times the Home Health Care Maximum Daily Benefit. The Monthly Home Health Care Benefit provides benefits for services when provided to you by a Home Health Care Agency or by an Independent Provider for: Home Health Care services, Maintenance or Personal Care Services, care in an Adult Day Care Center and fees charged for transportation to and from the Adult Day Care Center, and Homemaker Services. You do not have to incur covered expenses on each day of the month in order to receive the full amount of the Monthly Home Health Care Benefit. However, if you do not meet the other Eligibility for the Payment of Benefits requirements for the full calendar month, your Monthly Home Health Care Benefit will be pro-rated. The reduced amount will reflect the actual number of days for which you meet the Eligibility for the Payment of Benefits requirements. The Monthly Home Health Care Benefit is subject to the Maximum Lifetime Benefit.]

#### **[Monthly Basic and Professional Home Health Care Benefit**

If you elect this option and meet the Eligibility for the Payment of Benefits requirements, we will pay the covered expenses you incur for Basic and Professional Home Health Care during a calendar month up to the Monthly Home Health Care Benefit. The monthly maximum is determined by the formula shown in your policy. The Monthly Basic Home Health Care Benefit provides benefits for Home Health Care services, Maintenance or Personal Care Services, Homemaker Services and care in an Adult Day Care Center and fees charged for transportation to and from the Adult Day Care Center. The Professional Home Health Care Benefit provides benefits for skilled services. You do not have to incur covered expenses on each day of the month in order to receive the full amount of the Monthly Home Health Care Benefit. However, if you do not meet the other Eligibility for the Payment of Benefits requirements for the full calendar month, your Monthly Home Health Care Benefit will be pro-rated. The reduced amount will reflect the actual number of days for which you meet the Eligibility for the Payment of Benefits requirements. The Monthly Home Health Care Benefit is subject to the Maximum Lifetime Benefit.]

### **[Christian Science Providers]**

The Alternate Care Benefit includes services: provided by an accredited Christian Science Nurse listed in the Christian Science Journal; and incurred while confined in a Christian Science nursing facility currently recognized by The Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc., or any comparable accrediting organization, as long as such services are included in a written alternate Plan of Care.]

### **[LIMITED PREMIUM PAYMENT OPTIONS]**

You may elect any of the following options to pay the premiums for your policy within a limited time period:]

#### **[10-Year Premium Payment Option]**

This option provides that your policy premiums may be paid over a ten-year period, after which no additional premiums will be due. Prior to the end of your tenth policy year, you must make sure that you pay the premiums when they are due to continue your policy. If the premium for your policy increases due to the addition of any option, the amount of the premium increase must be paid by you until the tenth anniversary of the date of the increase. Prior to the end of your tenth policy year, we have the right to change your premiums in accordance with the Terms Under Which The Company May Change Premiums section.]

#### **[20-Year Premium Payment Option]**

This option provides that your policy premiums may be paid over a 20-year period, after which no additional premiums will be due. Prior to the end of your 20th policy year, you must make sure that you pay the premiums when they are due to continue your policy. If the premium for your policy increases due to the addition of any option, the amount of the premium increase must be paid by you until the 20th anniversary of the date of the increase. Prior to the end of your 20th policy year, we have the right to change your premiums in accordance with the Terms Under Which The Company May Change Premiums section.]

#### **[To-Age-65 Premium Payment Option]**

This option provides that your policy premiums may be paid as due until the anniversary of the original policy effective date following your 65th birthday, after which no additional premiums will be due. Prior to your 65th birthday, you must make sure that you pay the premiums when they are due to continue your policy. If the premium for your policy increases due to the addition of any option, the amount of the premium increase must be paid by you until the anniversary of the effective date of the option following your 65th birthday. Prior to the policy anniversary date following your 65th birthday, we have the right to change your premiums in accordance with the Terms Under Which the Company May Change Premiums section.]

### **OPTIONAL NONFORFEITURE BENEFITS**

#### **Nonforfeiture Benefit – Shortened Benefit Period**

If you elect the optional Nonforfeiture Benefit–Shortened Benefit Period, it will provide a continuation of your policy up to a specified dollar amount, called the Shortened Benefit Period Allowance, if your policy terminates due to non-payment of premium before your Maximum Lifetime Benefit has been reduced to zero. If your policy terminates due to non-payment of premium on or after the third anniversary of the effective date of the option, we will continue to pay benefits, subject to all of the terms and conditions of the policy, until the Shortened Benefit Period Allowance has been reached or when you no longer meet the Eligibility for the Payment of Benefits requirements of the policy, whichever occurs first. The Shortened Benefit Period Allowance we will pay will be the greater of: (a) one hundred percent (100%) of the sum of

all premiums paid for your coverage, excluding any waived premiums; or (b) 30 times your Nursing Home Maximum Daily Benefit in effect at the time of lapse. The Shortened Benefit Period Allowance is reduced by the sum of all benefits previously paid. In no event will the total of benefits payable under the policy exceed your Maximum Lifetime Benefit.

### **Contingent Nonforfeiture Benefit**

You will receive coverage under this benefit if you do not elect the Nonforfeiture Benefit–Shortened Benefit Period. If there is an increase in premium rates so that the cumulative amount of all premium rate increases is considered to be a substantial increase in premium rates, as determined by the table shown below, we will do all of the following:

- We will offer to reduce your current level of coverage without evidence of insurability so that the required premium rates for your coverage are not increased.
- We will offer to convert coverage to a paid-up status with a shortened benefit period as described below. This option may be elected at any time during the 120-day period following the date of the premium rate increase.
- We will notify you that a default or lapse at any time during the 120-day period following the date of the premium increase will be deemed to be the election of the preceding offer to convert. A default or lapse is your failure to pay the required premiums within the grace period.

### ***Shortened Benefit Period***

We will continue to pay benefits, subject to all of the terms and conditions of the policy, until the Shortened Benefit Period Allowance has been reached or when you no longer meet the Eligibility for the Payment of Benefits requirements of the policy, whichever occurs first. The Shortened Benefit Period Allowance we will pay will be the greater of: (a) one hundred percent (100%) of the sum of all premiums paid for your coverage under the policy, excluding any waived premiums; or (b) 30 times your Nursing Home Maximum Daily Benefit in effect at the time of lapse. The Shortened Benefit Period Allowance is reduced by the sum of all benefits previously paid. In no event will the total of benefits payable under the policy exceed your Maximum Lifetime Benefit.

Please refer to the chart below to determine whether or not a change in premiums constitutes a Substantial Premium Increase. Cumulative premium increases over original premium that will allow Contingent Nonforfeiture Benefit to be initiated appear in the chart. (Percentage increase is cumulative from date of original issue. It does NOT represent a one-time increase.)

#### Triggers for a Substantial Premium Increase

% Increase Over Initial Annual Premium		% Increase Over Initial Annual Premium		% Increase Over Initial Annual Premium	
Issue Age		Issue Age		Issue Age	
[29 and under	200%	66	48%	79	22%
30-34	190%	67	46%	80	20%
35-39	170%	68	44%	81	19%
40-44	150%	69	42%	82	18%
45-49	130%	70	40%	83	17%
50-54	110%	71	38%	84	16%
55-59	90%	72	36%	85	15%
60	70%	73	34%	86	14%
61	66%	74	32%	87	13%
62	62%	75	30%	88	12%
63	58%	76	28%	89	11%
64	54%	77	26%	90 and over	10% ]
65	50%	78	24%		

#### **ELIGIBILITY FOR THE PAYMENT OF BENEFITS**

For you to be eligible for benefits provided by the policy, we must verify that you are Chronically Ill and that you have been certified as Chronically Ill within the past 12 months by a Licensed Health Care Practitioner. In addition:

- You must also satisfy the Elimination Period;
- The service must be covered under the policy and be provided pursuant to a written Plan of Care;
- You must not have exhausted any daily, monthly, annual or lifetime limits on the specific benefits claimed; and
- The service, cost or item for which benefits are payable must constitute Qualified Long-term Care Services.

#### **10. EXCLUSIONS AND LIMITATIONS**

With respect to reimbursement benefits, the policy will not pay any expenses incurred for room and board, care, treatment, services, equipment, or other items as listed below.

1. care or services provided by a Family Member unless:
  - a) he or she is a regular employee of an organization which is providing the treatment, service or care; and
  - b) the organization receives the payment for the treatment, service or care; and
  - c) he or she receives no compensation other than the normal compensation for employees in his or her job category; or
  - [d) such care or services are received under the Informal Caregiver for Homemaker Services Benefit; or]
2. care or services for which no charge is made in the absence of insurance; or

3. care or services provided outside the United States of America, its possessions or territories, Canada and the United Kingdom except as provided for under the International Benefit; or
4. care or services that result from suicide (while sane or insane), an attempt at suicide or an intentionally self-inflicted injury; or
5. care or services for alcoholism or drug addiction (except for an addiction to a prescription medication when administered in accordance with the advice of your Physician); or
6. treatment provided in a government facility (unless otherwise required by law) except a Veteran's Administration facility; services for which benefits are available under Medicare or other governmental program (except Medicaid), any state or federal workers' compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law; or
7. services received while the policy is not in force, except as provided in the Extension of Benefits section; or
8. care or services that result from war or act of war, whether declared or undeclared.

### **Non-Duplication With Veteran's Administration Benefits**

We will pay the difference between your actual expenses incurred in a Veteran's Administration facility and the benefits payable for covered expenses you incur or covered services you receive that are provided by or in the Veteran's Administration facility. Our payment will not exceed the amount we would have paid in the absence of any Veteran's Administration benefits.

### **Coordination With Medicare**

We will not pay or reimburse expenses incurred for services or items to the extent that such expenses are reimbursable under Title XVIII of the Social Security Act (Medicare) or would be so reimbursable but for the application of a deductible or coinsurance amount.

**THIS POLICY MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG-TERM CARE NEEDS.**

## **11. RELATIONSHIP OF COST OF CARE AND BENEFITS**

Because the costs of long-term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted. You may elect one of the inflation protection options to increase your coverage. Only increases taken in accordance with one of the inflation protection options do not require proof of insurability.

### **5% Compound Inflation Protection**

If you elect the optional 5% Compound Inflation Protection Benefit, on the first policy anniversary date, we will increase each maximum daily benefit by a dollar amount equal to the maximum daily benefit multiplied by 5%. On each subsequent policy anniversary date, we will increase each maximum daily benefit by an amount equal to the previous year's maximum daily benefit multiplied by 5%. In addition, on each policy anniversary date, we will increase your maximum lifetime benefit by an amount equal to the unused balance remaining in the maximum lifetime benefit multiplied by 5%. The increases will be effective on each annual anniversary of the benefit even if you are receiving benefits.

### **[2.5% Compound Inflation Protection**

If you elect the optional 2.5% Compound Inflation Protection Benefit, on the first policy anniversary date, we will increase each maximum daily benefit by a dollar amount equal to the maximum daily benefit multiplied by 2.5%. On each subsequent policy anniversary date, we will increase each maximum daily benefit by an amount equal to the previous year's maximum daily benefit multiplied by 2.5%. In addition, on each policy anniversary date, we will increase your maximum lifetime benefit by an amount equal to the

unused balance remaining in the maximum lifetime benefit multiplied by 2.5%. The increases will be effective on each annual anniversary of the benefit even if you are receiving benefits.]

### **[3% Compound Inflation Protection]**

If you elect the optional 3% Compound Inflation Protection Benefit, on the first policy anniversary date, we will increase each maximum daily benefit by a dollar amount equal to the maximum daily benefit multiplied by 3%. On each subsequent policy anniversary date, we will increase each maximum daily benefit by an amount equal to the previous year's maximum daily benefit multiplied by 3%. In addition, on each policy anniversary date, we will increase your maximum lifetime benefit by an amount equal to the unused balance remaining in the maximum lifetime benefit multiplied by 3%. The increases will be effective on each annual anniversary of the benefit even if you are receiving benefits.]

### **[3.5% Compound Inflation Protection]**

If you elect the optional 3.5% Compound Inflation Protection Benefit, on the first policy anniversary date, we will increase each maximum daily benefit by a dollar amount equal to the maximum daily benefit multiplied by 3.5%. On each subsequent policy anniversary date, we will increase each maximum daily benefit by an amount equal to the previous year's maximum daily benefit multiplied by 3.5%. In addition, on each policy anniversary date, we will increase your maximum lifetime benefit by an amount equal to the unused balance remaining in the maximum lifetime benefit multiplied by 3.5%. The increases will be effective on each annual anniversary of the benefit even if you are receiving benefits.]

### **[4% Compound Inflation Protection]**

If you elect the optional 4% Compound Inflation Protection Benefit, on the first policy anniversary date, we will increase each maximum daily benefit by a dollar amount equal to the maximum daily benefit multiplied by 4%. On each subsequent policy anniversary date, we will increase each maximum daily benefit by an amount equal to the previous year's maximum daily benefit multiplied by 4%. In addition, on each policy anniversary date, we will increase your maximum lifetime benefit by an amount equal to the unused balance remaining in the maximum lifetime benefit multiplied by 4%. The increases will be effective on each annual anniversary of the benefit even if you are receiving benefits.]

### **[4.5% Compound Inflation Protection]**

If you elect the optional 4.5% Compound Inflation Protection Benefit, on the first policy anniversary date, we will increase each maximum daily benefit by a dollar amount equal to the maximum daily benefit multiplied by 4.5%. On each subsequent policy anniversary date, we will increase each maximum daily benefit by an amount equal to the previous year's maximum daily benefit multiplied by 4.5%. In addition, on each policy anniversary date, we will increase your maximum lifetime benefit by an amount equal to the unused balance remaining in the maximum lifetime benefit multiplied by 4.5%. The increases will be effective on each annual anniversary of the benefit even if you are receiving benefits.]

### **[5% Compound Inflation Protection – 10 Year]**

If you elect the optional 5% Compound Inflation Protection 10 Year Benefit, beginning on the first policy anniversary date, we will increase each maximum daily benefit by a dollar amount equal to the maximum daily benefit multiplied by 5%. On each of the following nine policy anniversary dates, we will increase each maximum daily benefit by an amount equal to the previous year's maximum daily benefit multiplied by 5%. In addition, on each of the first 10 policy anniversary dates, we will increase your maximum lifetime benefit by an amount equal to the unused balance remaining in the maximum lifetime benefit multiplied by 5%. The increases will be effective on each annual anniversary of the benefit through the tenth anniversary even if you are receiving benefits.]

### **[5% Compound Inflation Protection – 20 Year**

If you elect the optional 5% Compound Inflation Protection 20 Year Benefit, beginning on the first policy anniversary date, we will increase each maximum daily benefit by a dollar amount equal to the maximum daily benefit multiplied by 5%. On each of the following 19 policy anniversary dates, we will increase each maximum daily benefit by an amount equal to the previous year's maximum daily benefit multiplied by 5%. In addition, on each of the first 20 policy anniversary dates, we will increase your maximum lifetime benefit by an amount equal to the unused balance remaining in the maximum lifetime benefit multiplied by 5%. The increases will be effective on each annual anniversary of the benefit through the twentieth anniversary even if you are receiving benefits.]

### **[3% Step-Rated Compound Inflation Protection**

If you elect the optional 3% Step-Rated Compound Inflation Protection Benefit, on the first policy anniversary date, we will increase each maximum daily benefit by a dollar amount equal to the maximum daily benefit multiplied by 3%. On each subsequent policy anniversary date, we will increase each maximum daily benefit by an amount equal to each previous year's maximum daily benefit multiplied by 3%. In addition, on each policy anniversary date, we will increase your maximum lifetime benefit by an amount equal to the unused balance remaining in the maximum lifetime benefit multiplied by 3%. The increases will be effective on each annual anniversary of the benefit even if you are receiving benefits. Your current premium will be increased annually on the anniversary of the effective date of this benefit as long as the benefit is in force, even if the Waiver of Premium Benefit, or if applicable, the Spouse Waiver of Premium and Survivorship Benefit, is in force.]

### **[4% Step-Rated Compound Inflation Protection**

If you elect the optional 4% Step-Rated Compound Inflation Protection Benefit, on the first policy anniversary date, we will increase each maximum daily benefit by a dollar amount equal to the maximum daily benefit multiplied by 4%. On each subsequent policy anniversary date, we will increase each maximum daily benefit by an amount equal to each previous year's maximum daily benefit multiplied by 4%. In addition, on each policy anniversary date, we will increase your maximum lifetime benefit by an amount equal to the unused balance remaining in the maximum lifetime benefit multiplied by 4%. The increases will be effective on each annual anniversary of the benefit even if you are receiving benefits. Your current premium will be increased annually on the anniversary of the effective date of this benefit as long as the benefit is in force, even if the Waiver of Premium Benefit, or if applicable, the Spouse Waiver of Premium and Survivorship Benefit, is in force.]

### **[5% Step-Rated Compound Inflation Protection**

If you elect the optional 5% Step-Rated Compound Inflation Protection Benefit, on the first policy anniversary date, we will increase each maximum daily benefit by a dollar amount equal to the maximum daily benefit multiplied by 5%. On each subsequent policy anniversary date, we will increase each maximum daily benefit by an amount equal to each previous year's maximum daily benefit multiplied by 5%. In addition, on each policy anniversary date, we will increase your maximum lifetime benefit by an amount equal to the unused balance remaining in the maximum lifetime benefit multiplied by 5%. The increases will be effective on each annual anniversary of the benefit even if you are receiving benefits. Your current premium will be increased annually on the anniversary of the effective date of this benefit as long as the benefit is in force, even if the Waiver of Premium Benefit, or if applicable, the Spouse Waiver of Premium and Survivorship Benefit, is in force.]

### **Examples of How Compound Inflation Protection Works**

<b>EXAMPLES</b> <b>Based on a \$100 Maximum Daily Benefit and</b> <b>5% Compound Inflation Protection</b>	
	<b>Increased Maximum Daily Benefit</b>
First Policy Anniversary Date	\$105.00
Second Policy Anniversary Date	110.00
Third Policy Anniversary Date	116.00
Fourth Policy Anniversary Date	122.00
Fifth Policy Anniversary Date	128.00

<b>EXAMPLES</b> <b>Based on a \$109,500 Maximum Lifetime Benefit and</b> <b>5% Compound Inflation Protection</b>		
	<b>Benefits Paid During Policy Year</b>	<b>Increased Maximum Lifetime Benefit</b>
First Policy Anniversary Date	0	\$114,975
Second Policy Anniversary Date	0	120,724
Third Policy Anniversary Date	\$15,000	111,010
Fourth Policy Anniversary Date	0	116,560
Fifth Policy Anniversary Date	0	122,388

### **5% Simple Inflation Protection**

If you elect the optional 5% Simple Inflation Protection Benefit, on the first policy anniversary date, we will increase each maximum daily benefit by a dollar amount equal to the original maximum daily benefit multiplied by 5%. On each subsequent policy anniversary date, we will increase each previous year's maximum daily benefit by the same dollar amount. In addition, on each policy anniversary date, we will increase your maximum lifetime benefit by a dollar amount equal to the lesser of: (1) the original maximum lifetime benefit multiplied by 5%; or (2) the unused balance remaining in the maximum lifetime benefit multiplied by 5%. The increases will be effective on each annual anniversary of the benefit even if you are receiving benefits.

### Examples of How Simple Inflation Protection Works

<b>EXAMPLES</b> <b>Based on a \$100 Maximum Daily Benefit and</b> <b>5% Simple Inflation Protection</b>	
	<b>Increased Maximum Daily Benefit</b>
First Policy Anniversary Date	\$105.00
Second Policy Anniversary Date	110.00
Third Policy Anniversary Date	115.00
Fourth Policy Anniversary Date	120.00
Fifth Policy Anniversary Date	125.00

<b>EXAMPLES</b> <b>Based on a \$109,500 Maximum Lifetime Benefit and</b> <b>5% Simple Inflation Protection</b>		
	<b>Benefits Paid During Policy Year</b>	<b>Increased Maximum Lifetime Benefit</b>
First Policy Anniversary Date	0	\$114,975
Second Policy Anniversary Date	0	120,450
Third Policy Anniversary Date	\$15,000	110,723
Fourth Policy Anniversary Date	0	116,198
Fifth Policy Anniversary Date	0	121,673

]

### [Guaranteed Purchase Option

If you elect this option, you will periodically be offered the option to increase each maximum daily benefit and the Maximum Lifetime Benefit. An offer will be made beginning on the second anniversary of the original policy effective date, or until the first policy anniversary date coinciding with or next following your 80th birthday, whichever occurs first, as long as your coverage remains in force, you have not refused two consecutive offers and you are not receiving benefits under the policy. If the 2nd anniversary of the original policy effective date coincides with or follows your 80th birthday, you will receive only one offer to increase your maximum daily benefits. Each offer to increase your maximum daily benefit will be by a dollar amount equal to each original maximum daily benefit multiplied by 10%. Each offer accepted will also increase your maximum lifetime benefit by a dollar amount equal to the policy's original maximum lifetime benefit multiplied by 10%.

## Examples of How Guaranteed Purchase Option Works

<b>EXAMPLES</b> <b>Based on a \$100 Maximum Daily Benefit and</b> <b>Guaranteed Purchase Option Offers Accepted on the</b> <b>Second and Fourth Policy Anniversaries</b>	
	<b>Increased Maximum Daily Benefit</b>
First Policy Anniversary Date	\$100.00
Second Policy Anniversary Date	110.00
Third Policy Anniversary Date	110.00
Fourth Policy Anniversary Date	120.00
Fifth Policy Anniversary Date	120.00

All increased amounts will be rounded to the nearest whole dollar.

<b>EXAMPLES</b> <b>Based on a \$109,500 Maximum Lifetime Benefit and Guaranteed</b> <b>Purchase Option Offers Accepted on the Second</b> <b>Fourth Policy Anniversaries</b>				
	<b>Maximum Lifetime Benefit Shown on Your Policy Schedule</b>	<b>Benefits Paid During Prior Policy Year</b>	<b>Total Benefits Paid</b>	<b>Remaining Maximum Lifetime Benefit Available on This Policy Anniversary</b>
First Policy Anniversary Date	\$109,500	0	0	\$109,500
Second Policy Anniversary Date	120,450	\$15,000	\$15,000	105,450
Third Policy Anniversary Date	120,450	0	15,000	105,450
Fourth Policy Anniversary Date	131,400	5,000	20,000	111,400
Fifth Policy Anniversary Date	131,400	0	20,000	111,400

All increased amounts will be rounded to the nearest whole dollar.]

**[Compound Guaranteed Purchase Option]**

If you elect this option, you will periodically be offered the option to increase each maximum daily benefit and the Maximum Lifetime Benefit. An offer will be made beginning on the second anniversary of the original policy effective date and every two years thereafter through the 20th anniversary of the original policy effective date, or until the first policy renewal date coinciding with or next following your 80th birthday, whichever occurs first, as long as your coverage remains in force, you have not refused two consecutive offers and you are not receiving benefits under the policy. If the 2nd anniversary of the original policy effective date coincides with or follows your 80th birthday, you will receive only one offer to increase your maximum daily benefits. Each offer to increase your maximum daily benefit will be by a dollar amount equal to 10.25% multiplied by each maximum daily benefit shown on your policy schedule in effect at the time the offer is made. Each offer accepted will also increase your policy's maximum lifetime benefit by a dollar amount equal to 10.25% multiplied by the maximum lifetime benefit shown on your policy's schedule in effect at the time the offer is made.

**Examples of How Compound Guaranteed Purchase Option Works**

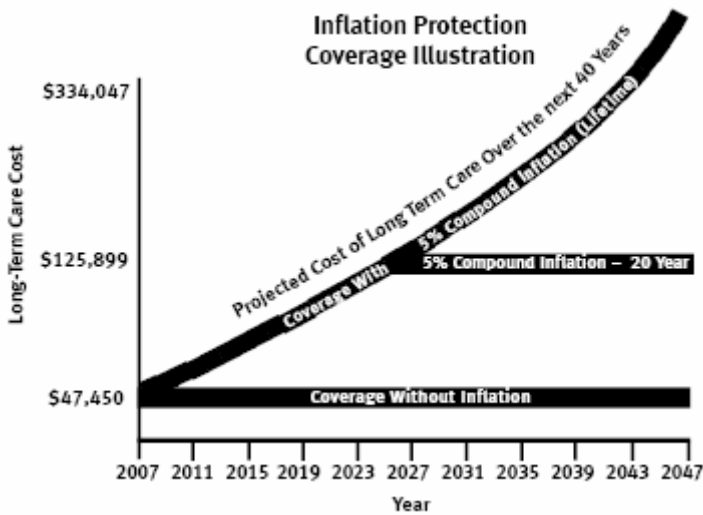
<b>EXAMPLES</b> <b>Based on a \$100 Maximum Daily Benefit and</b> <b>Compound Guaranteed Purchase Option Offers Accepted on the</b> <b>Second and Fourth Policy Anniversaries</b>	
	<b>Increased Maximum Daily Benefit</b>
First Policy Anniversary Date	\$100.00
Second Policy Anniversary Date	110.00
Third Policy Anniversary Date	110.00
Fourth Policy Anniversary Date	121.00
Fifth Policy Anniversary Date	121.00

All increased amounts will be rounded to the nearest whole dollar.

<b>EXAMPLES</b> <b>Based on a \$109,500 Maximum Lifetime Benefit and Compound</b> <b>Guaranteed Purchase Option Offers Accepted on the Second</b> <b>Anniversary and Every Two Years Thereafter</b>				
	<b>Maximum Lifetime Benefit Shown on Your Policy Schedule</b>	<b>Benefits Paid During <u>Prior</u> Policy Year</b>	<b>Cumulative Benefits Paid</b>	<b>Maximum Lifetime Benefit Available on <u>This</u> Policy Anniversary</b>
First Policy Anniversary Date	\$109,500	0	0	\$109,500
Second Policy Anniversary Date	120,724	\$15,000	\$15,000	105,724
Third Policy Anniversary Date	120,724	0	15,000	105,724
Fourth Policy Anniversary Date	133,098	5,000	20,000	113,098
Fifth Policy Anniversary Date	133,098	0	20,000	113,098

All increased amounts will be rounded to the nearest whole dollar.]

## Inflation Protection – Graphic Comparisons



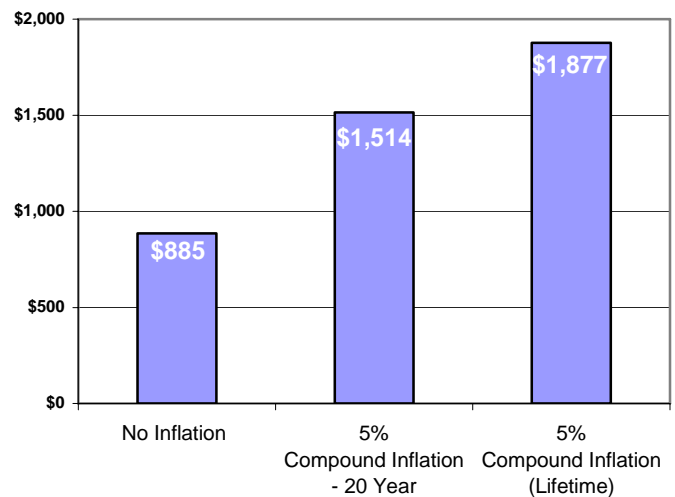
This chart compares and contrasts the anticipated cost for one year of institutional care over a 40-year period with the maximum lifetime benefit for three types of coverage: one with 5% compound inflation protection (lifetime); one with 5% compound inflation protection – 20 year; and one with no inflation protection at all. The chart assumes that the insured starts with \$47,450 in coverage.

### One maximum lifetime benefit policies:

The chart to the right compares the annual premium paid by a 63-year old for a tax qualified policy with 5% compound inflation protection – 20 year; 5% compound inflation protection (lifetime); and no inflation protection, assuming the following coverage features:

- a Maximum Lifetime Benefit (MLB) of 1,095 times the Nursing Home MDB;
- a \$100 Nursing Home MDB;
- a \$100 Assisted Living Facility MDB;
- a \$100 Home Health Care MDB;
- and an Elimination Period of 90 days.

**Inflation Protection Annual Premium Illustration**



## 12. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS

Once your application for coverage under the policy is approved, the policy provides coverage for treatment of Alzheimer's disease, Parkinson's disease, senile dementia, and all other forms of organic brain disease.

### 13. PREMIUM

Refer to the table below to find the annual premium.

PREMIUM	
<b>Premium Payment Mode</b> (Adjustment Factor)	
<input type="checkbox"/> Annual (1.0)	<input type="checkbox"/> Semi-Annual (.51)
<input type="checkbox"/> Quarterly (.26)	<input type="checkbox"/> Monthly Electronic Funds Transfer (.09)
Basic Policy Coverage Premium:	\$ [XXX.XX]
Nonforfeiture Benefit – Shortened Benefit Period:	\$ [XXX.XX]
[2.5% Compound Inflation Protection Benefit:	\$ XXX.XX]
[3% Compound Inflation Protection Benefit:	\$ XXX.XX]
[3.5% Compound Inflation Protection Benefit:	\$ XXX.XX]
[4% Compound Inflation Protection Benefit:	\$ XXX.XX]
[4.5% Compound Inflation Protection Benefit:	\$ XXX.XX]
5% Compound Inflation Protection:	\$ [XXX.XX]
[3% Step Rated Compound Inflation Protection Benefit:	\$ XXX.XX]
[4% Step Rated Compound Inflation Protection Benefit:	\$ XXX.XX]
[5% Step Rated Compound Inflation Protection Benefit:	\$ XXX.XX]
[5% Compound Inflation Protection – 20 Year:	\$ XXX.XX]
[5% Compound Inflation Protection – 10 Year:	\$ XXX.XX]
[5% Simple Inflation Protection:	\$ XXX.XX]
[Guaranteed Purchase Option:	\$ XXX.XX]
[Compound Guaranteed Purchase Option:	\$ XXX.XX]
[Return of Premium at Death (Less Claims Paid)	
if Death occurs before Age 70 Benefit:	\$ XXX.XX]
[Monthly Home Health Care Benefit:	\$ XXX.XX]
[Monthly Basic and Professional Home Health Care Benefit:	\$ XXX.XX]
[Additional Benefit for Injury:	\$ XXX.XX]
[Cash Benefit:	\$ XXX.XX]
[Rate Guarantee Period:	\$ XXX.XX]
[Spouse Benefit – [60%]:	\$ XXX.XX]
[Spouse Shared Benefit:	\$ XXX.XX]
[Spouse Waiver of Premium and Survivorship Benefit:	\$ XXX.XX]
[Limited Pay - 10 Pay Option:	\$ XXX.XX]
[Limited Pay - 20 Pay Option:	\$ XXX.XX]
[Limited Pay - Paid Up at 65 Option:	\$ XXX.XX]
[Waiver of Elimination Period for Home Health Care Benefit:	\$ XXX.XX]
[Restoration of Benefits:	\$ XXX.XX]
<b>Total Annual Premium:</b>	\$ [XXX.XX]
<b>Modal Premium:</b>	\$ [XXX.XX]
<i>(Annual X Mode Factor)</i>	

## 14. ADDITIONAL FEATURES

### **Underwriting**

Medical underwriting is required. We will underwrite your application by reviewing one or more of the following: the information submitted on your application; an attending Physician's report; copies of your medical records; a medical evaluation; a telephone interview; and an in-person interview.

### **Extension of Benefits**

If your policy terminates due to failure to pay premium while you are confined in a Nursing Home, an Assisted Living Facility, or a Hospice Care Facility, benefits will be paid in the same manner as if your policy was in force. Extension of Benefits stops on the earlier of the date when you no longer meet the Eligibility for the Payment of Benefits requirements; the date you are no longer confined in a Nursing Home, an Assisted Living Facility or a Hospice Care Facility; or the date your maximum lifetime benefit is reached.

### **Added Protection Against Lapse**

If your coverage terminates due to non-payment of premiums because you were Chronically Ill, your coverage will be reinstated if we receive proof from a Licensed Health Care Practitioner that you were Chronically Ill.

We must receive such proof and you must pay all past due premiums for the coverage that was in force within five (5) months after termination of your policy.

## **15. CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU HAVE GENERAL QUESTIONS REGARDING LONG-TERM CARE INSURANCE. CONTACT THE INSURANCE COMPANY IF YOU HAVE SPECIFIC QUESTIONS REGARDING YOUR LONG-TERM CARE INSURANCE POLICY.**

## **DEFINITIONS**

**Activities of Daily Living** means the following self-care functions:

- **Bathing:** Washing oneself by sponge bath; or in either a tub or shower, including the task of getting into or out of the tub or shower.
- **Dressing:** Putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.
- **Toileting:** Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- **Transferring:** Moving into or out of a bed, chair or wheelchair.
- **Continence:** The ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag.)
- **Eating:** Feeding oneself by getting food into the body from a receptacle (such as a plate, cup, or table) or by a feeding tube or intravenously.

**Adult Day Care** means a program for six or more individuals of social and health-related services provided during the day in a community group setting for the purpose of supporting frail, impaired elderly or other disabled adults who can benefit from care in a group setting outside the Home.

**Adult Day Care Center** means a facility that is licensed or certified to provide a planned program of Adult Day Care services by the state in which it operates. If the state does not license or certify such facilities, then it must be operated pursuant to law and meet certain standards.

[**Age 65** means the first Policy Anniversary Date which coincides with or next follows your 65th birthday.]

[**Age 70** means the first Policy Anniversary Date which coincides with or next follows your 70th birthday.]

**Alzheimer's Facility** means a specialized facility that provides care for persons with Alzheimer's disease or similar Severe Cognitive Impairment and is licensed or certified as:

- an Alzheimer's unit in all states where such licensure exists; and/or
- a Nursing Home; and/or
- an Assisted Living Facility.

If the Facility is licensed or certified as a specialized Alzheimer's unit only and not as a Nursing Home or Assisted Living Facility, that Facility will be considered as either a Nursing Home or Assisted Living Facility based on this Policy's definitions of those terms and the level of care provided.

If the Facility has multiple licenses or certifications, that Facility will be considered as either a Nursing Home or Assisted Living Facility based on this Policy's definitions of those terms on the level of care provided in that portion, wing or ward designated as an Alzheimer's unit.

**Assisted Living Facility** means a facility that is licensed or certified and engages primarily in providing ongoing care in one location. The facility must have an employee on-site 24 hours a day and provide care and services sufficient to support needs resulting from inability to perform Activities of Daily Living or Severe Cognitive Impairment. If the state does not license or certify such facilities, then it must be operated pursuant to law and meet certain standards. Assisted Living Facility can also include an Alzheimer's Facility.

[**Basic Home Health Care** means the following services provided in your home: part-time or intermittent services provided by a nurse; services to support your compliance with your medication/treatment regimen; and home health aide services.]

**Care Coordination Services Provider** means an agency, entity or person designated by us that provides care coordination and meets certain standards that pertain to staffing requirements, quality assurance, agency functions, and reporting and records maintenance requirements.

**Care Coordinator** means a Licensed Health Care Practitioner employed by or under contract to a Care Coordination Services Provider who is qualified by training and experience to assess and coordinate the overall care needs of a person who is Chronically Ill. You are not required to use the Care Coordinator designated by us. You may choose to use your own Care Coordinator.

**Chronically Ill** means that you have been certified by a Licensed Health Care Practitioner as: a) being unable to perform, without Substantial Assistance from another person, at least two Activities of Daily Living for a period that is expected to last at least 90 consecutive days due to a loss of functional capacity, or b) requiring Substantial Supervision to protect yourself from threats to health and safety due to a Severe Cognitive Impairment.

**Durable Medical Equipment** means equipment included in your Plan of Care which: is functionally necessary and not just for your convenience; is designed for repeated and prolonged use; is suited for use in the Home; and can enhance your ability to perform Activities of Daily Living.

Infusion pumps, special hospital-style beds, walkers, or wheelchairs are examples of types of equipment that may be considered Durable Medical Equipment. Durable Medical Equipment does not include any drug, medicine or equipment implanted in your body, temporarily or permanently. Also not included is any Home Modification, motorized scooter, or sporting, protective, athletic or exercise equipment.

**Elimination Period** means the total number of days that you remain Chronically Ill and incur covered expenses or receive covered services before benefits are payable. The Elimination Period begins on the first day that you are Chronically Ill and incur covered expenses or receive covered services. Each day on which you remain Chronically Ill and incur covered expenses or receive covered services will count toward the Elimination Period. The days do not have to be consecutive. The number of days may be accumulated before the filing of a claim if we can establish that you met these requirements before the filing of a claim. The Elimination Period need only be met once during your lifetime. If your coverage includes the Waiver of Elimination Period for Home Health Care Benefits, no days on which you are Chronically Ill and incur covered expenses or receive covered services for Home Health Care will count towards satisfying the Elimination Period.

Note, the Elimination Period applies to all policy benefits, except: the Respite Care Benefit; the Hospice Care Benefit; the Caregiver Training Benefit; the Durable Medical Equipment Benefit; the Home Modification Benefit; the Medical Alert System Benefit; the Care Coordination Services[.]]; and the optional Cash Benefit, if any.]

**Family Member** means your spouse and anyone who is related to you or your spouse (including adopted, in-law and step-relatives) as a parent, grandparent, child, grandchild, brother, sister, aunt, uncle, first cousin, nephew or niece.

**Home** means the place where you maintain independent residence. Home does not mean: a Nursing Home; a hospital; an Assisted Living Facility; any other institutional setting where you are dependent on others for assistance with Activities of Daily Living; or the residence of the person providing the Homemaker Services or Home Health Care.

**[Home Health Care** means part-time or intermittent skilled services provided by a nurse; to support your compliance with your medication/treatment regimen; home health aide services; physical therapy, respiratory therapy, occupational therapy, speech therapy or audiology therapy; and services provided by a specialist in the field of nutrition or the administration of chemotherapy.]

**Home Health Care Agency** means an entity that is regularly engaged in providing Home Health Care services, Maintenance or Personal Care Services and Homemaker Services for compensation and employs staff who are qualified by training or experience to provide such care. The entity must: be supervised by a qualified professional such as a Registered Nurse (RN), a licensed social worker, or a Physician; keep clinical records or care plans on all patients; provide ongoing supervision and training to its employees appropriate to the services to be provided; and have the appropriate state licensure, accreditation or certification, where required.

**Homemaker Services** means the following services which you receive from a paid eligible provider to the extent that they constitute Maintenance or Personal Care Services: laundry services; routine food shopping and errands; meal preparation and cleanup; and domestic or cleaning services.

**Hospice Care** means services designed to provide palliative care and alleviate your physical, emotional and social discomforts if you are terminally ill and in the last phases of life.

**Informal Caregiver** means the person who has the primary responsibility for providing nonprofessional care on an unpaid basis for you in your Home. A person who is paid for caring for you cannot be an Informal Caregiver, except as provided in the Informal Caregiver Benefit for Homemaker Services section. The Informal Caregiver cannot be a person for whom the Caregiver Training Benefit was paid under the policy.

**Injury** means bodily harm which: is the direct result of an accident or trauma that occurs while your policy is in force; and results in Covered Expenses and/or Covered Services independently of sickness and all other causes (except for sickness caused by the injury).

**Licensed Health Care Practitioner** means any of the following who is not a Family Member: a Physician (as defined in Section 1861(r)(1) of the Social Security Act); a registered professional nurse; a licensed social worker; or any other individual who meets such requirements as may be prescribed by the Secretary of the Treasury of the United States.

**Maintenance or Personal Care Services** means any care the primary purpose of which is the provision of needed assistance with helping you conduct your Activities of Daily Living while you are Chronically Ill. This includes protection from threats to health and safety due to Severe Cognitive Impairment.

**Medical Alert System** means a communication system installed in your Home that is used solely for the purpose of calling for assistance in the event of a medical emergency. A Medical Alert System does not include charges for a normal telephone service, or for a home security system, or any other similar service or device.

**Nursing Home** means a facility or distinctly separate part of a hospital or other institution that is engaged primarily in providing nursing care to inpatients under a planned program supervised by a Physician and, where required, has the appropriate state licensure, certification or registration as a Nursing Home. It also must meet all of the following requirements:

- provides twenty-four (24) hour-a-day nursing care by a Nurse under the supervision of a Registered Nurse (R.N.) or a Physician;
- maintains a daily medical record of each inpatient; and
- provides nursing care at skilled, intermediate, or custodial levels.

Nursing Home includes a Veteran's Administration facility and an Alzheimer's Facility.

A Nursing Home does not include: a hospital or clinic; a place which operates primarily for the treatment of alcoholism, drug addiction, or Mental or Nervous Disorders; an Assisted Living Facility; an adult residential care home; a domiciliary care facility; or Your primary place of residence in an area used principally for independent residential living; or a similar establishment. If a facility has multiple licenses, a portion, wing, ward, or unit will qualify as a Nursing Home only if it: meets all of the above criteria; is authorized to provide nursing care to inpatients; and is engaged principally in providing such nursing care in accordance with that license.

**Physician** means a doctor of medicine or osteopathy legally authorized to practice medicine and surgery by the state in which he or she performs such function or action (as defined in Section 1861 (r) (1) of the Social Security Act) other than you or a Family Member. He or she must be providing services within the scope of his or her license. Physician does not include: you; a Family Member; anyone who normally resides in your

Home; or anyone who has a financial interest in, or is an employee of, a facility, agency, or center administering the Plan of Care.

**Plan of Care** means a written individualized plan of services prescribed by a Licensed Health Care Practitioner. We retain the right to discuss the Plan of Care with the Licensed Health Care Practitioner. We may also retain the right to verify that the Plan of Care is appropriate and consistent with generally accepted standards for care of Chronically Ill persons. The Plan of Care specifies your long-term care needs and the type, frequency, and providers of the services appropriate to meet those needs and the costs, if any, of those services. The Plan of Care will be modified as required to reflect changes in: your functional or cognitive abilities; your social situation; and your care service needs.

**[Professional Home Health Care** means the following skilled level of services provided in your Home when specified by your Plan Care: part-time or intermittent skilled services provided by a Nurse; physical therapy, respiratory therapy, occupational therapy, speech therapy or audiology therapy; and services provided by a specialist in the field of nutrition or the administration of chemotherapy.]

**Qualification Free Period**, means a period of 180 consecutive days during which a Licensed Health Care Practitioner certifies, that you meet the following: you are able to perform, without Substantial Assistance from another individual, all Activities of Daily Living; and you do not require Substantial Supervision by another person to protect yourself from threats to health and safety due to Severe Cognitive Impairment; and you have been informed by your Physician or Licensed Health Care Practitioner that you no longer require, and have not been advised to receive, and are not receiving, services that would otherwise have been covered by the policy.

**Qualified Long-Term Care Services** means necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services and Maintenance or Personal Care Services which are required by a Chronically Ill individual and are provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

**Severe Cognitive Impairment** means a loss or deterioration in intellectual capacity that is comparable to (and includes) Alzheimer's disease and similar forms of irreversible dementia; and is measured by clinical evidence and standardized tests that reliably measure impairment in your: short-term or long-term memory; orientation as to people, places or time; and deductive or abstract reasoning.

**Spouse** means the person you are legally married to [or a Domestic Partner].

**Substantial Assistance** means either Hands-on Assistance or Standby Assistance.

Hands-on Assistance is the physical assistance of another person without which you would be unable to perform the Activities of Daily Living.

Standby Assistance means the presence of another person, within your arm's reach, that is necessary to prevent, by physical intervention, your injury while you are performing the Activity of Daily Living.

**Substantial Supervision** means continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person that is necessary to protect you from threats to your health or safety (including, but not limited to, such threats as may result from wandering.)

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# LONG-TERM CARE INSURANCE

## POTENTIAL RATE INCREASE DISCLOSURE FORM

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1. **Premium Rate:** Premium rate that is applicable to you and that will be in effect until a request is made and approved for an increase is: [Applicant A] \$ \_\_\_\_\_  
[Applicant B] \$ \_\_\_\_\_

2. **The premium for this policy will be shown on the schedule page of your policy.**

3. **Rate Schedule Adjustments:**

The premium rates for this policy may change. Any change will be effective on the next billing date after the company has provided you at least 60 days written notice before we change premiums.

4. **Potential Rate Revisions:**

**This policy is Guaranteed Renewable.** This means that the rates for this product may be increased in the future. Your rate can NOT be increased due to your increasing age or declining health, but your rates may go up based on the experience of all policyholders with a policy similar to yours.

**If you receive a premium rate or premium rate schedule increase in the future, you will be notified of the new premium amount and you will be able to exercise at least one of the following options:**

- Pay the increased premium and continue your policy in force as is.
- Reduce your policy benefits to a level such that your premiums will not increase. (Subject to state law minimum standards.)
- Exercise your nonforfeiture option if purchased. (This option is available for purchase for an additional premium.)
- Exercise your contingent nonforfeiture rights.\* (This option may be available if you do not purchase a separate nonforfeiture option.)

### **\*Contingent Nonforfeiture**

If the premium rate for your policy goes up in the future and you didn't buy a nonforfeiture option, you may be eligible for contingent nonforfeiture. Here's how to tell if you are eligible:

You will keep some long-term care insurance coverage, if:

- Your premium after the increase exceeds your original premium by the percentage shown (or more) in the following table; and
- You lapse (not pay more premiums) within 120 days of the increase.

The amount of coverage (i.e., new lifetime maximum benefit amount) you will keep will equal the total amount of premiums you've paid since your policy was first issued. If you have already received benefits under the policy, so that the remaining maximum benefit amount is less than the total amount of premiums you've paid, the amount of coverage will be that remaining amount.

Except for this reduced lifetime maximum benefit amount, all other policy benefits will remain at the levels attained at the time of the lapse and will not increase thereafter. Should you choose this Contingent Nonforfeiture option, your policy, with this reduced maximum benefit amount, will be considered "paid-up" with no further premiums due.

### **Example:**

- You bought the policy at age 65 and paid the \$1,000 annual premium for 10 years, so you have paid a total of \$10,000 in premium.
- In the eleventh year, you receive a rate increase of 50%, or \$500 for a new annual premium of \$1,500, and you decide to lapse the policy (not pay any more premiums).
- Your "paid-up" policy benefits are \$10,000 (provided you have at least \$10,000 of benefits remaining under your policy).

**CONTINGENT NONFORFEITURE  
CUMULATIVE PREMIUM INCREASE OVER INITIAL PREMIUM  
THAT QUALIFIES FOR CONTINGENT NONFORFEITURE**

(Percentage increase is cumulative from date of original issue. It does NOT represent a one time increase.)

<b>ISSUE AGE</b>	<b>% INCREASE OVER INITIAL PREMIUM</b>	<b>ISSUE AGE</b>	<b>% INCREASE OVER INITIAL PREMIUM</b>	<b>ISSUE AGE</b>	<b>% INCREASE OVER INITIAL PREMIUM</b>
29 and under	200%	66	48%	79	22%
30-34	190%	67	46%	80	20%
35-39	170%	68	44%	81	19%
40-44	150%	69	42%	82	18%
45-49	130%	70	40%	83	17%
50-54	110%	71	38%	84	16%
55-59	90%	72	36%	85	15%
60	70%	73	34%	86	14%
61	66%	74	32%	87	13%
62	62%	75	30%	88	12%
63	58%	76	28%	89	11%
64	54%	77	26%	90 and over	10%
65	50%	78	24%		

In addition to the contingent nonforfeiture benefits described above, the following reduced “paid-up” contingent nonforfeiture benefit is an option in all policies that have a fixed or limited premium payment period, even if you selected a nonforfeiture benefit when you bought your policy. If both the reduced “paid up” benefit AND the contingent benefit described above are triggered by the same rate increase, you can choose either of the two benefits.

You are eligible for the reduced “paid up” contingent nonforfeiture benefit when all three conditions shown below are met:

1. The premium you are required to pay after the increase exceeds your original premium by the same percentage or more shown in the chart below:

**TRIGGERS OF SUBSTANTIAL  
PREMIUM INCREASE**

<b>ISSUE AGE</b>	<b>% INCREASE OVER INITIAL PREMIUM</b>
Under 65	50%
65-80	30%
Over 80	10%

2. You stop paying your premiums within 120 days of when the premium increase took effect; AND
3. The ratio of the number of months you already paid premiums is 40% or more than the number of months you originally agreed to pay.

If you exercise this option your coverage will be converted to reduced “paid-up” status. That means there will be no additional premiums required. Your benefits will change in the following ways:

- a. The total lifetime amount of benefits your reduced paid up policy will provide can be determined by multiplying 90% of the lifetime benefit amount at the time the policy becomes paid up by the ratio of the number of months you already paid premiums to the number of months you agreed to pay them.
- b. The daily benefit amounts you purchased will also be adjusted by the same ratio.

If you purchased lifetime benefits, only the daily benefit amounts you purchased will be adjusted by the applicable ratio.

**Example:**

- You bought the policy at age 65 with an annual premium payable for 10 years.
- In the sixth year, you receive a rate increase of 35% and you decide to stop paying premiums.
- Because you have already paid 50% of your total premium payments and that is more than the 40% ratio, your “paid-up” policy benefits are .45 (.90 times .50) times the total benefit amount that was in effect when you stopped paying your premiums. If you purchased inflation protection, it will not continue to apply to the benefits in the reduced “paid-up” policy.

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# THINGS YOU SHOULD KNOW BEFORE YOU BUY LONG-TERM CARE INSURANCE

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## LONG-TERM CARE INSURANCE

- A long-term care insurance policy may pay most of the costs for your care in a nursing home. Many policies also pay for care at home or other community settings. Since policies can vary in coverage, you should read this policy and make sure you understand what it covers before you buy it.
- You should **not** buy this insurance policy unless you can afford to pay the premiums every year. Remember that the company can increase premiums in the future.
- The personal worksheet includes questions designed to help you and the company determine whether this policy is suitable for your needs.

## MEDICARE

Medicare does **not** pay for most long-term care.

## MEDICAID

- Medicaid will generally pay for long-term care if you have very little income and few assets. You probably should **not** buy this policy if you are now eligible for Medicaid.
- Many people become eligible for Medicaid after they have used up their own financial resources by paying for long-term care services.
- When Medicaid pays your spouse's nursing home bills, you are allowed to keep your house and furniture, a living allowance, and some of your joint assets.
- Your choice of long-term care services may be limited if you are receiving Medicaid. To learn more about Medicaid, contact your local or state Medicaid agency.

## SHOPPER'S GUIDE

Make sure the insurance company or agent gives you a copy of a book called the National Association of Insurance Commissioners' "Shopper's Guide to Long-Term Care Insurance." Read it carefully. If you have decided to apply for long-term care insurance, you have the right to return the policy within 30 days and get back any premium you have paid if you are dissatisfied for any reason or choose not to purchase the policy.

## COUNSELING

Free counseling and additional information about long-term care insurance are available through your state's insurance counseling program. Contact your state insurance department or department on aging for more information about the senior health insurance counseling program in your state.

## FACILITIES

Some long-term care insurance contracts provide for benefit payments in certain facilities only if they are licensed or certified, such as in assisted living centers. However, not all states regulate these facilities in the same way. Also, many people move to a different state from where they purchased their long-term care insurance policy. Read the policy carefully to determine what types of facilities qualify for benefit payments, and to determine that payment for a covered service will be made if you move to a state that has a different licensing scheme for facilities than the one in which you purchased the policy.

<i>SERFF Tracking Number:</i>	<i>MUTM-125753253</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Mutual of Omaha Insurance Company</i>	<i>State Tracking Number:</i>	<i>39779</i>
<i>Company Tracking Number:</i>	<i>MELANIE SCHULTZ</i>		
<i>TOI:</i>	<i>LTC03I Individual Long Term Care</i>	<i>Sub-TOI:</i>	<i>LTC03I.001 Qualified</i>
<i>Product Name:</i>	<i>Individual Health</i>		
<i>Project Name/Number:</i>	<i>Individual Long-Term Care Insurance/LTC04I LPPCNFB-AR</i>		

## **Rate Information**

Rate data does NOT apply to filing.

SERFF Tracking Number: MUTM-125753253 State: Arkansas  
Filing Company: Mutual of Omaha Insurance Company State Tracking Number: 39779  
Company Tracking Number: MELANIE SCHULTZ  
TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.001 Qualified  
Product Name: Individual Health  
Project Name/Number: Individual Long-Term Care Insurance/LTC04I LPPCNFB-AR

## Supporting Document Schedules

### Review Status:

**Satisfied -Name:** Certification/Notice 07/30/2008  
**Comments:**  
**Attachment:**  
AR Certif of Compliance with Rule 19.pdf

### Review Status:

**Satisfied -Name:** Outline of Coverage 07/30/2008  
**Comments:**  
Please see outline of coverage attached under the form schedule tab.

### Review Status:

**Satisfied -Name:** Cover Letter 07/30/2008  
**Comments:**  
**Attachment:**  
AR Cover Letter (Mutual).pdf

### Review Status:

**Satisfied -Name:** Fee Schedule Cert 07/30/2008  
**Comments:**  
**Attachment:**  
AR Fee Schedule Cert .pdf

### Review Status:


**Satisfied -Name:** Readability Cert 07/30/2008  
**Comments:**  
**Attachment:**  
AR Read Cert.pdf

**Certificate of Compliance with  
Arkansas Rule and Regulation 19**

Insurer:

Form Number(s):

I hereby certify that the filing above meets all applicable Arkansas requirements including the requirements of Rule and Regulation 19.

  
\_\_\_\_\_  
Signature of Company Officer

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

# MUTUAL of OMAHA

MUTUAL of OMAHA INSURANCE COMPANY  
Mutual of Omaha Plaza  
Omaha, NE 68175  
402 342 7600



July 30, 2008

Arkansas Department of Insurance  
Attn: Compliance - Life & Health  
1200 West Third Street  
Little Rock, AR 72201-1904

RE: Mutual of Omaha Insurance Company  
NAIC # 261-71412 FEIN: 47-0246511  
Individual Long-Term Care Insurance (Tax Qualified and Non-Tax Qualified)  
Rider Forms: LTC04I LPPCNFB-AR  
LTC04I REDCOV-AR  
LTC04I NHDEF-AR  
LTC04I7-LPPCNFB-AR  
LTC04I7-REDCOV-AR  
LTC04I7-NHDEF-AR  
Outlines of Coverage: M23866\_0608  
M23867\_0608  
M25527\_0608  
Potential Rate Increase Disclosure Form: M26263  
"Things You Should Know Before You Buy Long-Term Care Insurance": M19775\_0907

On behalf of Mutual of Omaha Insurance Company, I am submitting the above captioned forms for review and approval by your Department. These forms were developed to bring our long-term care products into compliance with the revisions to Rule and Regulation 13.

Riders LTC04I LPPCNFB-AR, LTC04I REDCOV-AR, and LTC04I NHDEF-AR will be used with Policy Forms LTC04I [AG]-TQ and LTC04I [AG]-NTQ, approved by your Department on September 29, 2004.

Riders LTC04I7-LPPCNFB-AR, LTC04I7-REDCOV-AR, and LTC04I7-NHDEF-AR will be used with Policy Forms LTC04I7-[AG5, AG10, AG15, 5D]-TQ and LTC04I7-[AG5, AG10, AG15, 5D]-NTQ, approved by your Department on December 7, 2006.

Riders LTC04I LPPCNFB-AR and LTC04I7-LPPCNFB-AR are new and will not replace any previously approved forms. The appropriate rider will be added to the appropriate policy where the insured selects a Limited Payment Option.

Riders LTC04I REDCOV-AR and LTC04I7-REDCOV-AR are new and will not replace any previously approved forms. These riders will be added to the appropriate policy. These riders provide the insured the right to reduce coverage and lower his or her premiums.

Riders LTC04I NHDEF-AR and LTC04I7-NHDEF-AR are new and will not replace any previously approved forms. These riders are new and will be added to the appropriate LTC04I or LTC04I7 policy. These riders amend the definition of "Nursing Home."

Outlines of Coverage M23866\_0608, M23867\_0608, and M25527\_0608 replace outlines M23866, M23867, and M25527. Outlines M23866 and M23867 were previously approved by your Department on September 29,

2004. Your Department approved Outline M25527 on December 7, 2006. These outlines have been amended to include the new definition of "Nursing Home."

Potential Rate Increase Disclosure Form M26263 is new and will replace form M22544\_1003, previously approved with the LTC04I product, and form M25563, previously approved with LTC04I7 product. The form includes language regarding the "paid-up" contingent non-forfeiture benefit, as an option, in policies that have a fixed or limited payment period.

We request variability with regard to the bracketed information in the first paragraph of form M26263. Applicant A and Applicant B will only be used with LTC04I7 policy forms. The application for that form allows two persons living at the same address to apply for coverage on the same application.

We will continue to use application MA5864-03 with the LTC04I policy forms, approved by your department on September 29, 2004. We will also continue to use application MA5896-03 with the LTC04I7 policy forms, approved by your Department on December 7, 2006.

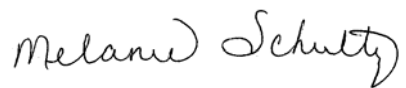
I am also including a copy of the "Things You Should Know Before You Buy Long-Term Care Insurance" for your information. This form, M19775\_0907 includes the "Facilities" section required by Rule and Regulation 13.

The addition of these amendments is not expected to impact our current rates for the affected products; therefore, no Actuarial Memorandum or revised rates are enclosed.

This rider meets your readability requirements by having a FLESCH score of more than 40.

Your review and approval of this submission will be most appreciated. If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Melanie Schultz".

Melanie Schultz  
Product and Advertising Compliance Analyst  
Regulatory Affairs

Phone: 402-351-4260  
Fax: 402-351-5298  
E-mail: [Melanie.Schultz@mutualofomaha.com](mailto:Melanie.Schultz@mutualofomaha.com)

ARKANSAS  
INSURANCE  
DEPARTMENT

400 University Tower Building  
1123 South University Ave.  
Little Rock, Arkansas 72204

Lee Douglass  
Insurance Commissioner

ATTN: LIFE & HEALTH DIVISION, ARKANSAS INSURANCE DEPARTMENT

Company Name:

Company NAIC Code:

Company Contact Person & Phone:

INSURANCE DEPARTMENT USE ONLY:

ANALYST: \_\_\_\_\_ AMOUNT: \_\_\_\_\_ ROUTE SLIP: \_\_\_\_\_

**ALL FEES ARE PER EACH INSURER, PER ANNUAL STATEMENT LIFE OF BUSINESS, UNLESS OTHERWISE INDICATED.**

**FEE SCHEDULE FOR ADMITTED INSURERS**

**RATE/FORM FILINGS**

Life and/or Disability policy form filing and review, per each policy, contract, annuity form, per each insurer, per each filing.

\* \_\_\_\_\_ X \$50 = \$ \_\_\_\_\_

\*\*Retaliatory \$ \_\_\_\_\_

Life and/or Disability - Filing and review of each rate filing or loss ratio guarantee filing, per each insurer.

\* \_\_\_\_\_ X \$50 = \_\_\_\_\_

\*\*Retaliatory \$ \_\_\_\_\_

Life and/or Disability Policy, Contract or Annuity Forms : Filing and review of each certificate, rider, endorsement or application if each is filed separately from the basic form.

\* \_\_\_\_\_ X \$20 = \_\_\_\_\_

\*\*Retaliatory \$ \_\_\_\_\_

Life and/or Disability: Filing and review of Insurer's advertisements, per advertisement, per each insurer.

\* \_\_\_\_\_ X \$25 = \$ \_\_\_\_\_

\*\*Retaliatory \$ \_\_\_\_\_

**AMEND CERTIFICATE OF AUTHORITY**

Review and processing of information to amend an Insurer's Certificate of Authority

\* \_\_\_\_\_ X \$400 = \_\_\_\_\_

Filing to amend Certificate of Authority.

\*\*\* \_\_\_\_\_ X \$100 = \_\_\_\_\_

**\*THESE FEES ARE PAYABLE UNDER THE NEW FEE SCHEDULE AS OUTLINED UNDER RULE AND REGULATION 57.**

**\*\*THESE FEES ARE PAYABLE UNDER THE OLD FEE SCHEDULE AS OUTLINED UNDER ARK. CODE ANN. 23-63-102, RETALIATORY TAX.**

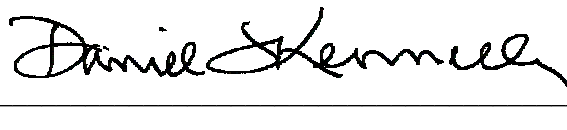
**\*\*\*THESE FEES ARE PAYABLE AS REQUIRED IN ARK. ANN. SEC. 23-61-401.**

**CERTIFICATION**

This is to certify that the attached form(s) has/have achieved the following Flesch Reading Ease Score(s) and complies/comply with the requirements of Ark. Stat. §§66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act.

FormDescriptionScore

Date: \_\_\_\_\_

A handwritten signature in black ink, reading "Daniel J. Kennelly", written over a horizontal line.

Daniel J. Kennelly  
Vice President & Chief Compliance Officer

<i>SERFF Tracking Number:</i>	<i>MUTM-125753253</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Mutual of Omaha Insurance Company</i>	<i>State Tracking Number:</i>	<i>39779</i>
<i>Company Tracking Number:</i>	<i>MELANIE SCHULTZ</i>		
<i>TOI:</i>	<i>LTC03I Individual Long Term Care</i>	<i>Sub-TOI:</i>	<i>LTC03I.001 Qualified</i>
<i>Product Name:</i>	<i>Individual Health</i>		
<i>Project Name/Number:</i>	<i>Individual Long-Term Care Insurance/LTC04I LPPCNFB-AR</i>		

## Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

<b>Original Date:</b>	<b>Schedule</b>	<b>Document Name</b>	<b>Replaced Date</b>	<b>Attach Document</b>
No original date	Supporting Document	Certification/Notice	07/30/2008	